

## **The Bankers magazine.**

[Boston, Mass., etc., Warren, Gorham & Lamont, Inc., etc.]

<http://hdl.handle.net/2027/chi.42153931>

# HathiTrust



## [www.hathitrust.org](http://www.hathitrust.org)

**Public Domain, Google-digitized**

[http://www.hathitrust.org/access\\_use#pd-google](http://www.hathitrust.org/access_use#pd-google)

We have determined this work to be in the public domain, meaning that it is not subject to copyright. Users are free to copy, use, and redistribute the work in part or in whole. It is possible that current copyright holders, heirs or the estate of the authors of individual portions of the work, such as illustrations or photographs, assert copyrights over these portions. Depending on the nature of subsequent use that is made, additional rights may need to be obtained independently of anything we can address. The digital images and OCR of this work were produced by Google, Inc. (indicated by a watermark on each page in the PageTurner). Google requests that the images and OCR not be re-hosted, redistributed or used commercially. The images are provided for educational, scholarly, non-commercial purposes.





Vol. 100.

The University of Chicago  
Libraries







THE UNIVERSITY OF CHICAGO LIBRARY  
**BANKERS' MAGAZINE,**

AND

**Statistical Register.**

---

EDITED BY J. SMITH HOMANS.

---

No expectation of forbearance or indulgence should be encouraged. Favor and benevolence are not the attributes of good banking. Strict justice and the rigid performance of contracts are its proper foundation.  
The revenue of the State is THE STATE: in effect, all depend upon it, whether for support or for reformation.

---

VOLUME EIGHTH,  
OR, VOLUME THIRD, NEW SERIES,  
FROM JULY, 1853, TO JUNE, 1854, INCLUSIVE.

---

**New-York:**  
PUBLISHED BY J. SMITH HOMANS,  
No. 70 WALL STREET.

1854.

Y 1200 311  
 To Y 1200  
 Y 1200 000000

## STANDARD WORKS

FOR BANKERS, BANK-OFFICERS, BANK-DIRECTORS, BROKERS,  
 INSURANCE COMPANIES,

- I. GILBART'S PRACTICAL TREATISE ON BANKING.** 1 vol., Svo. Second American edition, . . . . . \$2 50
- II. LAWSON'S HISTORY OF BANKING,** with Anecdotes of Bankers. American edition, with additions, . . . . . 2 00
- III. THE BANKERS' ALMANAC FOR 1854,** with List of Private Bankers in the Principal Cities of the United States, and Europe, South-America, East-Indies, etc., . . . . . 1 00
- IV. NEW MANUAL OF COINS,** Coinage, Bullion, Counterfeit Coins, etc. 65 fine cuts, . . . . . 1 00
- V. CHRONICLES AND CHARACTERS OF THE STOCK-EXCHANGE,** with Anecdotes of Leading Bankers. Svo. By JOHN FRANCIS, . . . . . 1 00
- VI. J. R. McCULLOCH'S ESSAY ON MONEY, COINS, BULLION, CURRENCY,** etc., . . . . . 1 00
- VII. THE BANKER'S COMMON-PLACE BOOK.** By A. B. JOHNSON, J. R. McCULLOCH, etc., . . . . . 50
- VIII. THE BANKERS' MAGAZINE,** Vol. First. (*New Series.*) July, 1851, to June, 1852; with 65 Engravings of Coins, Prize Essays on Banking, etc., bound, . . . . . 5 50
- IX. THE BANKERS' MAGAZINE,** Vol. Second. (*New Series.*) From July, 1852, to June, 1853, neatly bound, . . . . . 5 50
- X. AN HISTORICAL ACCOUNT OF MASSACHUSETTS CURRENCY.** By J. B. FELT. 1 vol., Svo., with fac-similes of the Continental and other money, . . . . . 1 50
- XI. A MANUAL FOR THE USE OF NOTARIES PUBLIC.** Comprising a Summary of the Law of Bills of Exchange, with Practical Forms. By B. ROBERTS. Svo., . . . . . 1 00

Copies will be supplied, to order, by

J. SMITH HOMANS,  
 Office of the *Bankers' Magazine*, No. 70 Wall Street, New-York

## GENERAL INDEX

TO THE

EIGHTH VOLUME (OR THIRD VOLUME—NEW SERIES)

OF THE

**Bankers' Magazine and Statistical Register,**

FROM

JULY, 1853, TO JUNE, 1854, BOTH INCLUSIVE.

Complete copies can be supplied of the present volume, in numbers, price, \$5, or substantially bound, price, \$5.50. All orders to be addressed per mail to J. Smith Thomas, Editor and Publisher of the *Bankers' Magazine*, 70 Wall street, New-York.

- |   |  |
|---|--|
| ACTUARIES, proceedings of the Society of, 712, 954.                   | Bank of England, photographic frauds on, 596.  |
| Agents of New-York country banks, list of, 346.                       | _____ rate of discount, fluctuations in, 338, 341.                                       |
| Altered bank-notes, remarks on, 73, 761, 867, 892, 84, 108, 172, 174. | _____ operations of the, 68, 181, 192, 272, 329, 439, 525, 593, 596, 697, 703, 834, 926. |
| America, North and South, gold produced in, 317.                      | _____ directors of, 1853-4, 68, 185.   |
| Anglo-Saxons, coins of the, 889.                                      | _____ France, operations of the, 66, 254, 257, 335, 753, 774, 835.                       |
| Anomalies of the currency, 747.                                       | _____ Charleston, annual report of, 110.   |
| _____ postal system, 674.   | _____ bills, fractional, prohibited, 86, 108, 682, 758.                                  |
| Assay office in New-York, 112, 670.                                   | _____ loss on, 910.  |
| Australia, effects of emigration to, 63.                              | _____ items, 84, 173, 269, 360, 411, 439, 519, 599, 678, 757, 840, 1000.                 |
| _____ act to levy tax on miners, 751.                                 | _____ checks, frauds in, 168.  |
| _____ mint of, 66.  | _____ improvement in, 168.   |
| _____ banking in, 67, 355, 256.                                       | _____ circulation of New-England and New-York, 748.                                      |
| _____ market value of stocks in, 752.                                 | _____ robberies and frauds, 73, 169, 172, 260, 587, 595, 1000.                           |
| _____ and Europe, trade of, 186.                                      | _____ circulation in England, fluctuations in, each month, 1844-1854, 192, 336.          |
| _____ prices of materials, etc., 187.                                 | _____ of Pernambuco, 413.  |
| _____ gold product of, 259, 320, 323.                                 |  |
| _____ origin of the discovery of gold in, 741.                        |  |
| Austria, finances of, 69, 655, 756.                                   |  |
| Bank of Ireland, report of the, 674.                                  |  |
| _____ England, reserves and private securities of, 329.               |  |
| _____ bullion in, 1848-1853, 336, 338.                                |  |

- Bank-notes, old, anecdotes of, 75.  
 ———— fraudulent alterations of, 73, 761.  
 ———— locks, Hobbs on, 255, 911.  
 ———— capital of towns and cities, 932.  
 ———— exchanges, plan of, 265.  
 ———— officers, deaths of, 180, 276, 364, 444, 524, 604, 764, 844.  
 ———— shares, on the transfer of, 859.  
 ———— not a legal investment by trustees, 398.  
 ———— of each State, 933, 992.  
 ———— teller, serious mistake of, 435.  
 ———— six-penny savings, 93, 261, 512, 686, 839.  
 ———— failures, 521, 920, 1001.  
 Banking, remarkable instance of sound, 75.  
 ———— Individual, law of, 765, 817, 930.  
 ———— in Mississippi, 100.  
 ———— in the United States, by H. F. Baker, 277.  
 ———— in England, Scotland, and Ireland, 337, 526.  
 ———— and the currency, 418, 503.  
 ———— new works on, 522.  
 Bank of France, metallic reserves of, 335.  
 ———— bank-note circulation of, 335.  
 ———— the United States, political history of, 567.  
 ———— Darmstadt, 756.  
 ———— Dividends, Massachusetts, 412, 993.  
 ———— New-York, 590, 678, 1001.  
 ———— Pennsylvania, 522.  
 ———— Missouri, 970.  
 ———— holidays, 42, 599, 600.  
 ———— capital of towns in Massachusetts, 719.  
 Banking laws, (new:)  
 ———— Massachusetts, 108, 172, 940.  
 ———— New-York, 170, 461, 930, 941.  
 ———— New-Jersey, 85, 401.  
 ———— Illinois, 587.  
 ———— Indiana, 77.  
 ———— Iowa, 433.  
 ———— Missouri, 76.  
 ———— Tennessee, 941.  
 Bankers, frauds on, 169, 172, 1000.  
 ———— time-checks on, 951.  
 Banks:  
 ———— in London, 256, 258.  
 ———— in Australia, 67, 256, 355.  
 ———— and banking in the U. S., 277.  
 ———— in Ireland, 751.  
 ———— in Paris, 752.  
 Banks, (*continued*)  
 ———— system of exchanges between, 265.  
 ———— liabilities of, for collection paper, 849.  
 Banking and banking statistics:  
 ———— Maine, 161.  
 ———— New-Hampshire, 161, 407, 791.  
 ———— Vermont, 161, 26, 408.  
 ———— Massachusetts, 75, 108, 161, 269, 270, 412, 437, 514, 713, 720, 758, 792, 861, 922, 952.  
 ———— Rhode-Island, 161, 999.  
 ———— Connecticut, 58, 86, 162, 271, 279, 441.  
 ———— New-York, 1, 4, 93, 162, 170, 346, 637, 765, 775, 790, 930.  
 ———— City, 169, 175, 193, 362, 373, 447, 590, 599, 654, 683.  
 ———— New-Jersey, 73, 75, 85, 162, 401, 641, 874.  
 ———— Pennsylvania, 82, 162, 272, 358, 398, 513, 594, 644, 759, 803, 851, 976.  
 ———— Maryland, 163, 634, 875.  
 ———— District of Columbia, 440.  
 ———— Virginia, 163, 380, 449, 592, 651, 759, 841, 851, 877, 879.  
 ———— North-Carolina, 163, 991.  
 ———— South-Carolina, 110, 164, 261.  
 ———— Georgia, 164, 852, 880.  
 ———— Alabama, 164, 263.  
 ———— Illinois, 164.  
 ———— Iowa, 433.  
 ———— Indiana, 77, 164, 361, 592, 802.  
 ———— Kentucky, 164, 880.  
 ———— Louisiana, 81, 82, 164, 272, 440, 518, 588.  
 ———— Michigan, 164, 792.  
 ———— Missouri, 164, 636.  
 ———— Ohio, 75, 78, 84, 164, 245, 359, 406, 441, 517, 649, 876.  
 ———— Tennessee, 164, 649.  
 ———— Texas, 164.  
 ———— Wisconsin, 77, 164, 253, 652.  
 ———— Great Britain, 70, 336.  
 ———— France, 67, 753, 774.  
 ———— Australia, 67, 355.  
 ———— Canada, 81, 104.  
 Baltimore stock-market, quotations of, 618.  
 Baker, H. F., remarks on banks and banking, 277.  
 Bakers', (the,) Bank in Paris, 753.  
 Bayley on bills of exchange, (*quoted*), 249.  
 Byles on bills of exchange, (*quoted*), 249, 252.  
 Bengal, rate for bills on, 329.  
 Bennock, Francis, suggestions for an improved system of currency and banking, 418.

# General Index.

v

- Benton, Thomas H., sketch of Bank of the United States, 567.
- Bills of exchange, the law of, 47, 72, 161, 172, 195, 245, 263, 973.
- evidence and witnesses, 196.
- actions on bills of exchange, 199.
- damages on, interest and costs, 210, 948.
- origin and nature of, 31.
- usury, 212, 401, 461, 857.
- statute of limitations, 219.
- set-off, 195.
- the trustee process, 195.
- lost or destroyed, 30, 75, 158.
- are they a circulating medium? 378, 946.
- statute-laws relating to, 122.
- fictitious, 754.
- sight, law of, 117, 172.
- currency of, 378, 946.
- see *Alphabetical Index of Manual for Notaries Public.*
- Boston, banks of, 412, 667, 714, 922.
- manufacturing stocks of, 668.
- railroad stocks of, 669.
- Bullion in the Bank of England, 1844-1854, 192.
- Brokers, description of, 755.
- Calcutta and London, rates of exchange between, 329.
- California, finances, etc., 79, 793.
- Canada and Great Britain, mails between, 67.
- commerce, railroads, etc., of, 68.
- quotations of stocks in, 108.
- Capital, value of, how affected by large supplies of gold, 328.
- California, gold supplies of, 97, 319, 359, 456.
- mint in, 788, 987.
- quartz-mining in, 190.
- production of gold in, 1848-1853, 319, 323, 985.
- Cape of Good Hope, gold discoveries at, 988.
- Census of Great Britain, 453.
- the United States, 505.
- China and East-Indies, exports of gold and silver to, 329.
- foreign coins in, 744.
- City bonds as a basis for banking, 4, 271.
- Governor Seymour's veto message, 170.
- Chevalier, Michel, remarks on gold, 97.
- Circulation of bills of exchange, 379, 946.
- Cities and towns, bank capital of, 932.
- Clearing-house, plan of, 265, 344, 445, 599, 923.
- Commercial and financial retrospect of 1852-53, 61, 576, 602, 695, 701.
- paper, value of, 74.
- Bank of the Midland District, annual report of, 104.
- Confidence, want of, 438.
- Consols, price of, 1851-53, 338, 602, 697.
- 1802-47, 371.
- Copper, scarcity, value, etc., 66, 69, 70.
- mines, account of, 354.
- stocks, fluctuations in, 76, 918.
- Cotton, monthly prices of, for ten years, 192, 603.
- estimated crop of, 354, 355.
- trade of the United States to India, 598.
- actual crop of, 1823-53, 363.
- Counterfeiting, security against, 74.
- means for preventing, 84, 108, 172, 174.
- Society for the Prevention of, 761, 867, 892.
- County bonds for railroad subscriptions, 609, 839.
- Coin and bullion in the sub-treasury, 447.
- Coinage of the British empire, historical review of, 887.
- Coins of Great Britain, 65, 66, 69, 326, 350, 750, 784, 887.
- Coinage of Russia, 70, 97.
- of Holland, 333.
- of France, 324, 326, 743, 784, 806.
- of the United States, 324, 456, 518, 671, 112, 263, 736, 746, 784, 983, 987.
- of England, France, and the United States, contrasted, 327.
- compared with the recent production of gold, 327.
- Coins of the United States, value of, in British West-Indies, 517.
- copper, scarcity of, 66, 69.
- export of, from New-York, 603.
- foreign, value of, 785.
- annual report of the Mint upon, 784, 984.
- Penalty for defacing, 988.
- annual assay of, 786.
- Currency in the Western States, 279.
- anomalies of the, 747.
- in Great Britain, 336, 945.
- of bills of exchange, 378, 946.
- of the New-England States and New-York, 748.
- and banking, suggestions for an improved system of, 418.
- and banking 503.
- Current bank-notes, what are they? 513.



- Cushing, Caleb, review of the Texas State debt, 512.
- Deaths of bank officers, 180, 276, 364, 444, 524, 604, 764, 844.
- Decimal coinage, remarks on, 60, 258, 813, 954.
- De Tocqueville, notice of, by Thomas H. Benton, 567.
- East-India Company, bills drawn by the, 329.
- East-Indies, rate of exchange on, 329, 331.
- exports of gold and silver to, 329.
- Europe, failures in, 913.
- money market of, 71, 833.
- new loans proposed in, 913.
- financial condition of, under war, 575, 927.
- financial events in, 1852-3, 770.
- European government stocks, value of, 1852-53, 698.
- Exchange, rates of, on Southern cities, 924.
- on East-Indies, rate of, 329-331.
- on London, rate of, 89, 179, 274, 343, 362, 442, 523, 601, 683, 762, 843, 923, 1003.
- Facts and statements relative to the new supplies of gold, 315.
- Fallacies and failings of monied men, 956.
- Faucher, Leon, remarks on gold and silver, 332, 334.
- Financial (the) condition of Europe under war, 575, 695, 925.
- events of the year 1853, 770.
- retrospect of the year 1852, 361, 343, 695, 706, 770.
- legislation of the year 1853, 707, 988.
- Flour, fluctuations in the value of, 1796-1853, 422.
- Foreign exchanges, average monthly rates of, 343.
- commercial relations of Great Britain, 708.
- Fractional bills, restraints on, 86, 108, 682, 758.
- Financial charities of the age, 685.
- France, bank of, 66, 254, 257, 335, 753, 774, 835.
- commerce and trade of, 67, 254, 833.
- France, savings banks in, 96.
- prohibitive duties on iron in, 188.
- Free trade, its successful results in Great Britain, 62.
- banks of Virginia, 759.
- Frauds on bankers, 172, 517, 765.
- Fraudulent bills of exchange, cases of, 754.
- France, mint legislation in, 324, 334, 806.
- coins and coinage of, 326, 333.
- rise of price of silver in, 332.
- bank-note circulation in, 335.
- rates of exchange on, 343.
- commerce of, 404, 515, 913.
- legal value of coinable metals in, 812.
- on the decimal system of, 813.
- on the fabrication of coins in, 815.
- Finances of States:
- Massachusetts, 724, 728.
- Rhode-Island, 734.
- Connecticut, 83.
- New-Jersey, 627.
- Pennsylvania, 82, 90, 260, 619, 837.
- Maryland, 626.
- Virginia, 662, 726.
- South-Carolina, 624.
- North-Carolina, 843.
- Alabama, 625, 677.
- Indiana, 353.
- Louisiana, 79, 733, 915.
- Missouri, 74, 90.
- Ohio, 621.
- Texas, 512, 607, 839, 916.
- California, 676, 793.
- Paris, 72.
- Austria, 69, 756.
- Great Britain, 372, 576, 751, 602, 695.
- Spain, 68.
- Peru, 67, 597, 615.
- Turkey, 68.
- Russia, 70.
- Portugal, 71.
- Finances of cities:
- Brooklyn, 632.
- Newark, N. J., 633.
- Philadelphia, 457, 630.
- Providence, R. I., 633.
- San Francisco, 83, 261, 793.
- St. Louis, 838.
- Gold and currency, their connection, 525.
- effects of the discovery of, in Australia, 63, 328.
- in Australia, first discovery of, 741.
- and wages, increase of, 173.
- lint, measures to withdraw, 70.
- pens, manufacture of, 167.
- Discoveries at Cape Good Hope, 988.

- Gold tax on shipments across the isthmus, 82.
- exports of, from England, 257, 258, 326, 329, 333.
- discovered in Great Britain, 436, 516.
- and silver, the supply of, 97, 254.
- stocks and the annual production of, 316.
- the new supplies of, by Newmarch, 315.
- product of, in Australia, 259, 320, 323.
- in Great Britain, 586.
- in America, 317, 359.
- remarks on, by W. Westgarth, 322.
- by Mr. Danson, 317.
- by M. Leon Faucher, 332.
- by Mr. Newmarch, 315, 331.
- by J. Calvert, 586.
- application of the new supplies of, 324.
- the exclusive standard in Great Britain, 324.
- coinage of, compared with the recent supply of gold, 327.
- effect of, on the rate of interest, 328.
- and silver, coinage of, in France, 324, 326.
- in Great Britain, 65, 326, 350, 750, 784, 887.
- in U. S., 324, 456, 518, 671, 263, 736, 776, 784.
- imports and exports of, 699.
- exports of, to East-Indies and China, 329.
- comparative values of, stationary, 331.
- from the Gila, 744.
- Gold-dust, robbery of, 595.
- Gold and Silver, the new supplies of, by W. H. Newmarch:
- I. Stock, and annual production of, 316.
- II. Application of the new supplies of, 324.
- III. Facts connected with the effects already produced, 328.
- IV. Inferences from the facts now brought forward, 381.
- V. Speculative questions relating to the future probable supply of, 388.
- Gold and silver, what Shakespeare says of, 882.
- Girard, Stephen, decision under his will, 398.
- trustees of, decision against, 400.
- Gladstone, M. P., remarks on bills of exchange as a currency, 379.
- Great Britain, new joint-stock companies in, 351.
- colonies of, military and maritime stations, plantations and settlements, 377, 756.
- circulation of bills of exchange in, 1815-39, 379, 945.
- results of the census of, 451.
- discovery of gold in, 436, 516, 586.
- coin and bullion in, 526, 745.
- finances and revenue of, 576, 751, 926.
- national debt of, 578.
- decimal coinage in, 60, 656, 954.
- financial retrospect, year 1852, 61.
- 1853, 576, 602, 695.
- mint and coinage of, 65, 69, 326, 333, 350, 751.
- banks and banking in, 71, 336.
- origin of savings banks in, 95.
- additional demand for labor in, 186.
- increased production of, 187.
- production of iron in, 188, 701.
- exports of coin from, 257, 326, 329, 333.
- effect of the large supply of gold upon, 328.
- rate of exchange on, at Calcutta, 329.
- bank-note circulation of, 336, 525.
- private and joint-stock banks of, 337, 527.
- exchange on, 343.
- new stamp-act in, 350.
- population of, 1801-51, 372, 453.
- annual revenue of, 1811-1851, 372.
- money market of, 61, 88, 338, 351, 354, 602.

- Great Britain, Commercial and financial retrospect of events in, 701, 926.  
 — financial legislation of, 1853, 707, 988.  
 — foreign commercial relations of, 1853, 708.  
 — general benefits of the diffusion of wealth in, 708.  
 — commercial prospects of, 708, 925.  
 — the corn question in, 709.  
 — increased value of property in, 710.  
 — increased trade with the U. S., 710.  
 — manufacturing industry of, 695.  
 — agricultural products of, 696.  
 — current value of foreign staples in, 696.  
 — shipping or tonnage of, 753.  
 — steamships in, 754.  
 — coins and coinage of, from the earliest dates, 887.  
 — statistics of the currency of, 192, 336, 945.  
 Hamburg, rates of exchange between London and, 343.  
 Holford, banker, death of, 929.  
 Holland, coins and coinage of, 333.  
 Humphreys, H. Noel, on the coins of Great Britain, 887.  
 Insurance (fire) in London, 903.  
 Interest, rate of, how affected by the large production of gold, 328.  
 — fluctuations in the rate of, each month, 1844, 1853, 191, 338, 351, 703.  
 — advance of, in France, 835.  
 Ireland, savings banks, deposits, and depositors, 96.  
 — bank-note circulation of, 336, 751.  
 Indiana, lost bonds of, 353, 436.  
 Individual banking, law of, 765, 817, 930.  
 Iowa, interest law of, adopted 1853, 434.  
 Iron, increased demand for, 188.  
 — and steel, manufacturers of, 701.  
 Jackson (General) and the Bank U. S., 569.  
 Law decisions, relating to:  
 Bank checks, frauds, 168.  
 Bills of exchange and promissory notes, 72, 172, 195, 245, 263, 400, 860.  
 Authority of president and cashier, 401.  
 Bank-notes, demand of payment, 852.  
 Bank taxation, 441, 595.  
 Collateral notes and stocks, 78, 725, 851.  
 Current bank-notes, 513.  
 Confidential communications, 850.  
 Law merchant, lost bills of exchange, 972.  
 Letters of credit, 72, 172.  
 Liabilities of banks for collection paper, 849.  
 — for special deposits, 971.  
 Payment of debt to partners, 857.  
 Money paid under a mistake, 857.  
 Life insurance, 856.  
 Law of libel, 78, 850.  
 Remittances by mail, 851.  
 Sight bills, 117, 172.  
 Stock sales on time, 169.  
 Stolen bills, 30, 75, 158.  
 Stockholders, rights of, to inspect books, 401.  
 Subscriptions to bank stocks, 856.  
 The right of trustees to invest in bank stocks, denied, 398.  
 Taxation of bank stock, 441, 595.  
 — of mutual insurance companies, 859.  
 — of savings banks, 718.  
 Slander of a mercantile firm, 858.  
 Transfer of bank shares, 859.  
 Usury, 212, 401, 461, 857.  
 Legal Miscellany, decisions in:  
 Massachusetts, 75, 195, 718, 849, 971.  
 New-York, 78, 400, 461, 725, 856, 975.  
 Pennsylvania, 398, 513, 594, 759, 851.  
 Virginia, 851.  
 Georgia, 852.  
 Alabama, 263.  
 Louisiana, 82.  
 Ohio, 78, 245, 441.  
 Great Britain, 72, 972.  
 Law, John, sketch of his career, 529.  
 Letters of credit, the law of, 72, 172.  
 — frauds on, 674.  
 Life insurance, cases in, 255, 516, 677.  
 — tables of, 659, 712.  
 — annals, anecdotes, and legends of, 414.  
 — frauds in, 430.  
 London, stock board of, 67.  
 — money market of, 71, 88, 338, 350, 835.  
 — Banks of, 256, 258.  
 — Mercantile and maritime college of, 259.

- London and East Indies, rate of exchange, 329.  
 — Price of silver in, 329, 331.  
 — Rate of discount in, 1848-'53, 191, 338, 351, 703.  
 — Rate of exchange on, 329, 343.  
 — and Paris, comparative value of gold in, 344.  
 — Value of land in, 350.  
 — New joint-stock companies in, 351.  
 — *Economist*, extracts from, 173, 180, 257, 354, 983.  
 — *Times*, extracts from, 352, 706.  
 — *Morning Chronicle*, 315, 701.  
 — Fire insurance in, 903.  
 Lost bank bills, annual, 613.  
 — bills, the law of, 30, 75, 158.  
 Manual for notaries public, 5, 112, 261.  
 — of gold and silver coins, review of, 358.  
 Massachusetts, new banks chartered in, 716, 840.  
 — Bank capital of towns in, 719.  
 — Condition of the savings banks in, 716.  
 — Banking system of, 861.  
 Mercantile conference in Liverpool, 597.  
 Mexico, supplies of silver from, 98, 254.  
 — Finances of,  
 Merchants' and Mechanics' Bank of Oswego, case of, 765.  
 Mines, new, account of, 354.  
 Mint, (English,) operations of the, 65, 66, 69, 326, 333, 350, 750.  
 — (French,) operations of the, 324, 333, 743;  
 — (U. S.,) operations of the, 112, 263, 324, 326, 435, 456, 518, 596, 676, 736, 746, 983, 986.  
 — annual report of, 736, 784.  
 — California, 79, 788, 987.  
 — Australia, 66.  
 — Holland, 333.  
 — Russia, 70.  
 Mississippi, repudiation in, 99, 171, 262.  
 — Planters' Bank bonds, case of, 431.  
 — Union Bank bonds, case of, 491.  
 — Scheme, history of, with engravings, 529.  
 Missouri State loan, bids for, 90.  
 Money market of New-York, notes on the, 89, 179, 274, 362, 442, 447, 523, 579, 601, 683, 762, 843, 923, 1003.  
 Money market of England, 61, 88, 338, 351, 354, 593, 602, 834.  
 Monied men, fallacies and failings of, 956.  
 Morals (The) of money, 956.  
 Mont de Piété, at Paris, special deposits in, 255.  
 Navarino, treasures sunk at, 598.  
 Newmarch (W. H.) remarks on the new supplies of gold and silver, 315, 381.  
 — statistics of the currency, 945.  
 New-York, commerce of, 514.  
 — Bank charters and banking associations of, 654, 599.  
 — Financial pressure in, 579.  
 — Frauds on the general banking law of, 765.  
 — Quotations of stocks in, 616.  
 — and London, exchange between, 343.  
 — Clearing-House in, 265, 344, 445.  
 — Review of the banking system of, 775, 817.  
 — Agents of banks in, 346.  
 — Savings Banks of, 789.  
 — Banks of, 362, 763.  
 — Canal certificates, legalized, 180.  
 — Banking capital of, 775.  
 — Extension of the banking system of, 776.  
 — Illegitimate banking in, 776.  
 — Codification of banking laws of, 777.  
 — Weekly bank statements of, 778.  
 — Circulation of old chartered banks, 783.  
 — Expiration of bank charters in, 780.  
 — Individual banking law of, 65, 930, 817.  
 — False impressions relating to, 817.  
 — Origin and policy of banking laws of, 818.  
 — Relations of private bankers to the public, 820.  
 — Banking system, superintendent, 826.  
 — Bonds and mortgages for banking, 170, 915.  
 — Law for the withdrawal of bank bills, 941.  
 — in reference to private banking, 942.

- New-York, Veto of, by Governor Seymour, 170.
- North America, gold produced in, 317.
- Notaries public, duties of, 5, 112, 246, 281.
- North-Carolina, law of bills of exchange, 950.
- new loan of, 843.
- Numismatist, Death of a noted, 437.
- Notices of protest, the law of, 245, 21, 142, 148.
- Form of, 285, 289.
- Waiver of, 151.
- Panama railroad, account of the, 516.
- Paris, finances, etc., of, 72.
- Rates of exchange on, 1851-53, 343.
- The Bakers' Bank in, 752.
- Peel, Sir Robert, financial and commercial policy of, 62.
- Pennsylvania, public works of, 837.
- Peru, debt, finances, etc., 67.
- Philadelphia, finances and public debt of, 457.
- Political history of the Bank U. S., 567.
- Portugal, bonds and finances of, 71.
- Porter, G. R., the late, notice of, 434.
- Population of British North American Provinces, 756.
- Postal anomalies of the U. S., 674.
- Prussia, railways of cost, revenue, etc., 69.
- Quartz-mining in California, 190.
- Quicksilver, fall in the price of, 334.
- Exports of, 985.
- Railway system, author of the, 167.
- accidents for twelve years, analysis of, 664.
- Railroad stocks, fluctuations in the value of, 669, 700.
- County subscriptions, validity of, 609, 839.
- Repudiation, Southern views of, 99, 171, 262.
- Rhode-Island, history of the public debt of, 734.
- Roelker, B., manual for notaries public, 5, 112, 281.
- Russia, the gold supplies of, 70, 97.
- Trade with England, 257.
- Safety-seal bank-checks, improvements in, 168.
- San Francisco, acts to regulate the public debt of, 793.
- Savings Banks, account of, 94, 635, 686, 261, 512, 839.
- origin of, 95.
- run on, 601.
- of New-York, remarks on, 789.
- Savings Banks, of Massachusetts, condition of each, 717, 869.
- Annual expenses of, 717.
- Scotland, Savings Banks, deposits and depositors, 96.
- Iron and furnaces in, 189.
- Bank-note circulation of, 336.
- Sight bills, the law of, 172.
- Silver, the new supplies of, 97, 315.
- Annual production of, 319.
- Standard price of, in London, 329.
- Exports of, to East Indies and China, 329.
- Questions connected with the price of, 331.
- Rise in the price of, in Paris, 332.
- Coins, foreign value of, 785.
- at Lake Superior, 436.
- Coins (new) distribution of, 443, 518.
- Sixpenny Savings Bank, account of the, 93, 261, 512, 839.
- By-laws and regulations of, 696.
- First annual report of the, 693.
- Smède's, W. C., Review of the Mississippi bond case, 491.
- Southern views of repudiation, 99.
- South America, remarks on gold product of, 317.
- Spain, finances of, 68.
- Specie, tax on, at Panama, 261.
- State stocks, quotations of, 90, 603.
- Stock markets of Europe, rise in, 65.
- Board, speculations of the, 67.
- operations of the month, 90, 519, 603, 616, 917.
- Story on bills of exchange, quoted, 249, 39, 46, 60.
- Stolen bills, the law of, 30, 75, 158.
- Sub-treasury law, operations of the, 78, 80, 264, 435.
- English views of the, 352.
- Suffolk Bank system, notice of the, 514.
- Taxation of banks, the principle of, 441, 595, 725.
- Texas, finances and railroads of, 605.
- Trustees cannot legally invest funds in bank stocks, 398.
- Usury laws of New-York.
- in general, 212, 401, 461, 857.
- pleading, evidence and remedy, 481.
- On the repeal of, 677, 845.
- United States, value of coins of, in the West Indies, 517.
- sub-treasury operations, 264.

- United States mint of, 112, 263, 324, 326, 596.  
 — assay office, 670.  
 — finances of, 365, 989.  
 — public debt of, 264, 367, 672, 764, 828, 982.  
 — remarks on the redemption of, 830.  
 — banks and banking in, 277, 932, 938, 978.  
 — financial condition of, as viewed in England, 357.  
 — events in, 770.  
 — revenue and expenditure of, 1845-53, 366.  
 — treasury circulars, 367, 370, 1003.  
 — sub-treasury, coin in, each week, 1853, 373.  
 — census of the, 506.  
 — exports of food from, 764.
- United States population and area of each State, 508.  
 — date of admission into the Union, 509.  
 Turkey, finances of, 68.  
 Vienna, new bank in, 256.  
 Virginia, prohibition of small bills, 879.  
 — free banks in, 759.  
 Wabash and Erie Canal, statistics of, 423, 437.  
 Wakefield, Priscilla, the advocate of savings banks, 95.  
 Wales, savings banks, deposits, depositors in, 96.  
 Walter Joy Bank, case of the, 930.  
 War, the results of, 371, 926.  
 Wendover, Joseph, author of the savings-banks principle, 95.  
 Weekly statements of N. Y. City banks, 373, 923.  
 What ought money to be? 418, 611.

## BANKING CASES REFERRED TO OR CONTAINED IN THE PRESENT VOLUME.

- American Life In. Co. *vs.* Story, 481.  
 Bank of Louisiana, Conroy *vs.*, 82.  
 Agawam Bank *vs.* Morris, 243.  
 Agricultural Bank *vs.* Bissell, 212.  
 American Bank *vs.* Baker, 221.  
 Bank of Pennsylvania *vs.* Commonwealth, 759.  
 Bank of Michigan *vs.* Dwight, 231.  
 — of Kentucky *vs.* Doyle, 249.  
 Bank of U. S. *vs.* Dans, 252, 467.  
 — of Utica *vs.* Wayne, 461.  
 — *vs.* Post, 490.  
 — *vs.* Nager, 470.  
 — of Sandusky *vs.* Scoville, 478.  
 — of Salina *vs.* Henry, 484, 486.  
 Cayuga Bank *vs.* Hunt, 466.  
 Commercial Bank *vs.* French, 199.  
 Dorchester and Milton Bank *vs.* New-England Bank, 849.  
 Eagle Bank *vs.* Hathaway, 252.  
 Farmers' Loan and Trust Co. *vs.* Carroll, 463, 466.  
 — *vs.* Minturn, 487.  
 Farmers' Bank, Md., *vs.* Duvall, 248.  
 Freeman's Bank *vs.* Perkins, 248.
- Fulton Bank *vs.* Beach, 484.  
 Farmers' Bank of Orleans *vs.* Smith, 856.  
 Hampshire Man. Bank *vs.* Billings, 208.  
 Holyoke Bank, Clarke *vs.* 971.  
 Isigi *vs.* Brown Brothers & Co., 850.  
 Manufacturers and M. Bank *vs.* Gore, 203.  
 Mechanics' Bank *vs.* Merchants' Bank, 242, 849.  
 — *vs.* Edwards, 481.  
 Nahant Bank, Wildes *vs.*, 235.  
 Narragansett B. *vs.* Atlantic Silk Co., 196.  
 N. Y. Dry Dock Co. *vs.* American Life In. Co., 461.  
 Ontario Bank *vs.* Scherméhorn, 462.  
 Seneca Co. Bank *vs.* Scherméhorn, 467.  
 Seventh Ward Bank *vs.* Haunick, 247.  
 State Bank *vs.* Hurd, 201.  
 Utica Insurance Co. *vs.* Tilman, 470.  
 Village Bank *vs.* Arnold, 227.  
 Warren Bank *vs.* Suffolk Bank, 849.  
 Washington Bank *vs.* Prescott, 211.  
 Western Bank of Georgia, Dougherty *vs.*, 852.  
 Worcester Co. Savings Inst. *vs.* City of Worcester, 718.

## OBITUARY NOTICES

- OF Andrew K. Hunt, 180. Jonathan Call, 276. Daniel M. Gale, 276. Thomas R. Wells, 364. G. R. Porter, 434. C. L. Rollin, 437. James G. King, 444. Jacob M. Thomas, 444. Hoel Lawrence, 444. Joseph Trotter, 524. Hugh Mercer, 604. B. B. Lansing, 604. Thomas Meredith, 604. John A. Parker, 604. Elisha Dyer, 764. John W. Wright, 764. Ker Boyce, 844. Geo. D. Noyes, 844. Jacob Albert, 844. James Taylor, 844.

See *alphabetical index of cases contained in the Manual for Notaries Public*, for which a separate set of folios is provided in the Nos. for July, August, and October, 1853.

# ALPHABETICAL INDEX

## TO SUBJECTS CONTAINED IN THE MANUAL FOR NOTARIES PUBLIC.

- Acceptance and Payment Supra protest, 25, 48, 50.**  
 — Nature of, 14, 15, 43.  
 — of a non-existing bill, 47.  
 — of Bills of Exchange, 43.  
 — New York Law of, 43.  
 — Nature of, 43.  
 — English Law of, 44.  
 — Erasure of, 47.  
 — Form of, 47.  
 — Supra Protest, 25.  
 — Qualified and Conditional, 47.  
 — Effect of General, 50.  
 — Presentation for, 14.  
 — How to be made, 15.  
 — The Law of, 15.  
**Acceptor.** Liabilities of, 21, 72, 50, 103.  
**Actions.** Limitations of, 28.  
**Austria.** Imprisonment in, for non-payment of bills of exchange, 11.  
**Agent.** Notice to, and Liability of, 37, 83.  
  
**Banks and Bankers, The Law of Checks on, 112.**  
**Banks, Liability of, for collection paper, 84, 85.**  
**Bayley on Bills, quoted, 39, 42, 44, 46, 52, 60, 87, 90, 96, 104, 105.**  
**Bills and Notes, laws, decisions, and Statutes in**  
   Maine, 67, 79, 106, 127, 85.  
   — New Hampshire, 106, 129.  
   — Vermont, 101, 106, 129.  
   — Massachusetts, 39, 67, 70, 75, 77, 80, 83, 84, 103, 106, 112, 125.  
   — Rhode Island, 107, 129.  
   — Connecticut, 79, 99, 107, 129.  
   — New York, 43, 64, 67, 75, 78, 81, 99, 100, 107, 114, 124, 129.  
   — New Jersey, 107, 134.  
   — Pennsylvania, 107, 134.  
   — Maryland, 40, 108, 137.  
   — Delaware, 108, 136.  
   — Virginia, 94, 108, 141.  
   — North Carolina, 108.  
   — South Carolina, 41, 44, 79, 90, 108, 144.  
  
**Bills, Georgia, 108, 141.**  
   — Alabama, 75, 108, 146.  
   — Arkansas, 108.  
   — California, 111.  
   — Florida, 108, 145.  
   — Illinois, 108, 140.  
   — Indiana, 110, 144.  
   — Iowa, 110. Tennessee, 60, 111, 141.  
   — Kentucky, 110, 138.  
   — Louisiana, 63, 102, 110. Texas, 111, 146.  
   — Michigan, 110, 140.  
   — Mississippi, 110.  
   — Missouri, 110, 140. Supreme Court, U. S., 87, 88, 89.  
   — Ohio, 87, 110, 138.  
**Bills of Exchange, Origin and Nature of, 31.**  
   — Confinement for non-payment of, 10.  
   — Foreign Laws regarding, 10, 28, 30, 44, 59.  
   — Requisites of, 11, 24, 38.  
   — Sardinian Law of, 12.  
   — French Law of, 11, 12, 15, 25.  
   — Austrian Law of, 11.  
   — Russian Law of, 12, 29.  
   — Regulated by the Code of Copenhagen, 12, 13.  
   — Spanish Law of, 29, 22, 12, 16.  
   — Turkish Law of, 13.  
   — Law of, in Norway, 13, 29.  
   — Indorsement of, 13.  
   — Presentation for Acceptance, 14.  
   — Acceptance of, 15, 43.  
   — Proceedings on Non-acceptance of, 17.  
   — Time of Payment of, 18.  
   — Proceedings on Non-payment of, 20.  
   — Notice of Non-payment, 21, 76, 87, 93.  
   — Protest of, 23, 68, 69, 70, 73, 76, 78.  
   — Re-Exchange on, 24.  
   — Acceptance and Payment of, Supra Protest, 25.  
   — Lost, the Law of, 30, 103.  
   — Forged, the Law of, 30, 51, 104.

# INDEX TO SUBJECTS.

- Bills of Exchange, Forms of, in the year 1325, 31.**  
 ———— Guaranty of, 27, 86, 98, 101, 102.  
 ———— Damages on Protested, 104, 131.  
 ———— Parties to, 32, 37.  
 ———— Blank Indorsements on, 33.  
 ———— Forms of, 31, 33, 34.  
 ———— Negotiability of, 36.  
 ———— Advice of, 37.  
 ———— Liability of Partners, 37.  
 ———— Authority of Agents to draw, 37.  
 ———— Payment in Money, 38.  
 ———— Presentment of, for payment, 40.  
 ———— Non-existing, law of, 44, 47.  
 ———— Days of Grace on, 15, 58, 59, 62.  
 ———— Payable at Bank, 64.  
 ———— Payable on demand, 67.  
 ———— Proceedings on non-payment of, 68, 71.  
 ———— The Law of the Place of Contract Governs, 71.  
 ———— Statutes respecting, 125.  
 ———— Laws of, in Holland, 22.  
 ———— in Portugal, 22.  
 ———— in England, 44.  
 ———— in Germany, 13, 15, 23.  
 ———— in Denmark, 13.  
 ———— in Sweden, 21.  
**Brooke on the Office of a Notary Public in England, 8, 49, 61.**  
**Chitty on Bills of Exchange, quoted, 41, 42, 50, 64.**  
**Days of Grace, Law Respecting, 58, 59.**  
 ———— on Sight Bills, where allowed, 62.  
**Damages on Bills of Exchange, 104, 131.**  
**England, The Law relating to Notaries in, 8.**  
 ———— Form of Protest used in, 70.  
 ———— Decisions in, 100.  
 ———— Law of Bills of Exchange, 31, 38, 44.  
**Faculty of Notaries, requisites for membership, 9.**  
**Foreign Laws Regarding Bills of Exchange, 10,**  
 18, 28, 30, 44.  
**Forged Bills, the Law of, 30, 51, 104.**  
**Forms of Bills of Exchange, 31, 33, 34.**  
**France, Duties of Notaries employed in, 7.**  
 ———— Law respecting Bills of Exchange, 11,  
 13, 16, 26, 27, 28.  
**Frankish Kings, Notaries employed under, 6.**  
**Germany, Notaries employed in, 8.**  
 ———— New Code of Laws of, 10, 12, 13, 15, 25,  
 26, 29.  
**Guaranty, The Law of, 27, 86, 98, 101, 102.**  
 ———— in Blank, 101.  
 ———— when Negotiable, 102.  
**Guaranty, Discharge of, 102.**  
**Holidays, how affecting Bills of Exchange, 43**  
**Indorsement, The Law of, 13, 33.**  
**Italy, Notaries employed in, 8.**  
**Kent, (Chancellor), quoted, 60, 38, 46, 113.**  
**Limitations of Actions, 28.**  
**Lost Bills, The Law of, 30, 103.**  
**Massachusetts, Laws and Decisions of, 39, 67**  
 70, 75, 77, 80, 83, 84, 103, 106, 112, 125.  
**Milan, Bills of Exchange first used in, 31.**  
**Negotiability of Bills of Exchange, Law of, 36.**  
**New York, Laws and Decisions of, 43, 45, 64,**  
 67, 75, 78, 81, 89, 100, 107, 124, 129.  
**Notice of Protest, Form of, 87, 93.**  
 ———— Waiver of, 95.  
 ———— The Law of, 21.  
**Notaries Public, Origin and Functions of, 5, 31.**  
 ———— known as Tabelliones Forenses, or Persona  
 Publicæ, 5.  
 ———— as Judex Chartularius, 6.  
 ———— in Roman Republic, 6.  
 ———— in France, 7, 10.  
 ———— in Germany, 8, 10.  
 ———— in England, 8, 10.  
 ———— in the United States, 9.  
 ———— Statutes respecting, 125.  
 ———— Duties, when Performed by a Clerk, 86  
 ———— Powers of, 132.  
**Partners, The Law of, 37.**  
**Payment of Bills and Notes, Time of, 18.**  
 ———— Supra Protest, 26.  
**Presentment of Bills of Exchange for acceptance**  
 or payment, 40, 58.  
 ———— when necessary, 40.  
 ———— by whom to be presented, 41.  
 ———— Time of, 41, 58, 64.  
 ———— Place of, 42, 64, 66.  
 ———— To whom to be made, 67.  
 ———— By an Agent, and his liability, 83  
**Promissory Notes without date, 54.**  
 ———— Witnessed, 53.  
 ———— Joint and Several, 55.  
 ———— Lost or destroyed, 103.  
 ———— Statutes respecting, 125.  
 ———— of Executors, 56.  
 ———— Where Payable, 56, 68.  
 ———— Time of Maturity of, 58.  
 ———— Foreign Law of, 28.  
 ———— Requisites of, 38, 63.  
 ———— Form of, and Parties, 52



## INDEX TO CASES.

- Promissory Notes, for the Payment of Money, 84.**  
 ——— For a fixed Sum, 64.  
 ——— When not Negotiable, 38, 39.  
**Protest of Bills and Notes, Law of, 23, 68.**  
 ——— Manner of, 69.  
 ——— English form of, 70.  
 ——— Notice to parties, 72, 78, 21.  
 ——— Notice of, to persons living in the same town, 73.  
 ——— Notice of, to persons who do not live in the same town, 76.  
 ——— Notice to and by an agent, 83.  
 ——— Form of Notice, 87, 93.  
 ——— Forms of, 116.  
 ——— For Non-acceptance, Form of, 116, 120.  
 ——— For Non-payment, 118.
- Protest, For Payment, Supra-protest, 120.**  
 Re-Exchange, The Law of, 24.  
 Statute Laws of the several States, 125.  
 Story, (Judge), *quoted*, 39, 40, 42, 44, 46, 60, 61, 67, 96, 103, 105, 112, 114.  
 Tabelliones Foreenses, or Persona Publicæ, described, 5.  
 United States, Duties and Functions of Notaries in, 9.  
 ——— Law of Bills of Exchange, 31.  
 Waiver of Notice of Protest, 96.

## INDEX TO CASES

REFERRED TO IN THE

## MANUAL FOR NOTARIES PUBLIC.

- Agnew v. Bank of Gettysburg, 40.  
 Allen v. Suydam, 84.  
 ——— Kittredge, 102.  
 Anderson v. Drake, 64.  
 Allen v. Merchants' Bank, N. Y., 84.  
 ——— Rightmore, 99.  
 Austin v. Boyd, 101.
- Backus v. Shipherd, 97.  
 Baldwin v. Bank of Louisiana, 85.  
 Baker v. Briggs, 101.  
 Bank of Utica v. McKinster, 84.  
 ——— Smedes, 84.  
 Ballou v. Talbot, 38.  
 Bank of Utica v. Smith, 40, 84.  
 ——— Phillips, 81.  
 ——— of Ireland v. Archer, 44.  
 ——— of Michigan v. Ely, 45.  
 ——— of Commerce v. Union Bank, 51, 52.  
 ——— of Albany v. Canal Bank, 62.  
 ——— of America v. Woodworth, 64.
- Bank of Washington v. Triplett, 72.  
 ——— of Rochester v. Monteath, 82.  
 ——— v. Gray, 86.  
 Bennington v. Dinsmore, 55.  
 Beveridge v. Burgis, 79.  
 Billing v. Deveau, 44.  
 Blackhouse v. Doren, 96.  
 Bolton v. Harrod, 41.  
 Bond v. Farnham, 97.  
 Bowen et al. v. Newell, 63, 82, 113.  
 Brown v. Barry, 71.  
 ——— v. Curtis, 87, 99, 100.  
 ——— v. Lusk, 113.  
 Buckner v. Finley, 34.  
 Barnwell v. Mitchell, 79.  
 Bank of the United States v. Davis, 82, 88.  
 ——— v. Goddard, 77.  
 Benthall v. Judkins, 101.
- Caldwell v. Cassidy, 65.  
 Camidge v. Allenby, 67.

# INDEX TO CASES.

- Canal Bank v. Bank of Albany, 51  
 Carroll v. Upton, 81.  
 Cayuga Bank v. Bennett, 82.  
 ——— v. Worden, 91, 93  
 Chapman v. Lipscomb, 81.  
 Chicopee Bank v. Eager, 75, 85  
 Clark v. King, 39  
 Clay v. Oakley, 83.  
 Coghill v. American Exchange Bank, 57  
 Coleman v. Sayer, 60.  
 Coolidge v. Ruggles, 39  
 ——— v. Payson, 47  
 Cook v. Litchfield, 93  
 Cushman v. Haynes, 39
- Dehars v. Hariot, 60.  
 Deparu v. Browne, 52  
 Dole v. Gold, 89.  
 Dolfus v. Frasch, 69  
 Dorchester and Milton Bank v. N. E. Bank, 85  
 Douglas v. Howland, 101  
 Durnford v. Patterson, 63  
 Dykens v. Leather Manufacturers' Bank, 115
- Edes v. Bury, 35
- Fales v. Russell, 103.  
 Fabens v. Mercantile Bank, 86  
 Fernandez v. Lewis, 41  
 Foden v. Sharp, 65.  
 Freeman v. Boynton, 40  
 Flint v. Day, 101.
- Gilbert v. Dennis, 89  
 Gillett v. Arnill, 67.  
 Gilmore v. Speis, 90, 100, 102  
 Goddard v. Merchants' Bank, 51, 52  
 Goodrich v. Gordon, 47  
 Goupy v. Harden, 41.  
 Gowan v. Jackson, 41, 82  
 Groton v. Dalheim, 41.  
 Grant v. Hunt, 44.  
 Green v. Darling, 74.  
 Gindrat v. Mechanics' Bank, 75.  
 Grosvenor v. Stone, 83.  
 Gough v. Staats, 116.
- Hall v. Farmer, 100.  
 ——— v. Fuller, 52.  
 ——— v. Newcombe, 99, 102  
 Harke v. Anderson, 82, 112, 116.  
 Heywood v. Perrin, 57.  
 Hills v. Bannister, 66.  
 Hill v. Varrell, 79.  
 Hooker v. Anderson, 88.  
 Hodges v. Galt, 79.
- Howard v. Ives, 83.  
 Hunt v. Fish, 81.  
 ——— v. Adams, 99.  
 Housatonic Bank v. Laffin, 83.
- Jamieson v. Swinton, 77.  
 Jeune v. Ward, 45.  
 Jones v. Fales, 39.  
 Judah v. Harris, 38.
- Keith v. Jones, 38.  
 Kramer v. McDowell, 74.
- Laing v. Barclay, 44.  
 Leiber v. Goodrich, 39.  
 Leonard v. Gray, 97.  
 Little v. Phenix Bank, 39, 115.  
 ——— v. Slackford, 35.  
 Long v. Colburn, 38.  
 Lequeer v. Prosser, 99.  
 Lord v. Chadbourne, 67.  
 Lowry v. Scott, 81.  
 Leonard v. Vredenburg, 100.  
 Lovett v. Martin, 103.  
 Martin v. Boyd, 101.  
 Magruder v. Bank of Washington, 42.  
 Mahony v. Ashlin, 34, 44.  
 Mason v. Barf, 44.  
 Massachusetts Bank v. Oliver's Exec., 80.  
 Merchants' Bank v. Birch, 78.  
 Mechanics' Bank, Baltimore, v. Merchants' Bank,  
 Boston, 86.  
 Miller v. Thompson, 54  
 ——— v. Hackley, 34.  
 McCormick v. Trotter, 39.  
 McGuire v. Bosworth, 102.  
 Mills v. Bank of the United States, 88, 90.  
 Moies v. Bird, 101.  
 Montgomery County Bank v. Bank of Albany, 46  
 Morrison v. Buchanan, 45.  
 Moodie v. Morrell, 79.  
 Monroe v. Durham, 99.  
 McNair v. Gilbert, 103.  
 Mohawk Bank v. Broderick, 114, 116.
- New England Bank v. Lewis, 75.
- Onondaga County Bank v. Bates, 86.  
 Orr v. Maginnis, 96.  
 Oxford Bank v. Haynes, 101
- Palmer v. Grant, 99.  
 Phenix Bank v. Hussey, 34.  
 Pierce v. Mann, 101.  
 Peirce v. Pendar, 75  
 Phipps v. Chace, 80

# INDEX TO CASES.

Pillow v. Hardeman, 80.  
Preston v. Dayson, 79.

Quinn v. Hanford, 46.

Ransom v. Mack, 75, 81, 92.  
Remer v. Downer, 81, 91, 92.  
Rees v. Warwick, 44.  
Richards v. Morgan, 83.  
Rothschild v. Curry, 72.

Salter v. Burt, 116.  
Seabury v. Hungerford, 102.  
Seneca County Bank v. Kneass, 82.  
Seymour v. Van Slyck, 82.  
Sewell v. Russell, 78.  
Shelton v. Darling, 38.  
Shed v. Brett, 88.  
Smith v. Whiting, 91.  
—— v. Jones, 116.  
Spear v. Pratt, 45.  
Spencer v. Harvey, 97.  
Stevens v. Blunt, 53.

Tenney v. Prince, 101, 102.  
Talbot v. Montgomery, 52.


Taylor v. Snyder, 64, 90.  
Thackeray v. Blackett, 96.  
Thompson v. Sloan, 39.  
Tower v. Durell, 97.  
Townesley v. Sumrall, 47.  
Trask v. Martin, 63.

Ulster County Bank v. McFarlan, 46.  
Union Bank v. Willis, 101.

Van Housen v. Van Alstyne, 68.  
Vandewall v. Tyrrell, 86.

Watson's Exec v. McLaren, 101, 102.  
Wallace v. McConnell, 40, 65.  
—— v. Agry, 41, 83.  
Warren Bank v. Suffolk Bank, 84.  
Warnick v. Crane, 86.  
Wheeler v. Field, 80.  
White v. Howland, 99.  
Willis v. Green, 82.  
Worcester Bank v. Wells, 45, 46.  
Wray v. Bassett, 62.  
Wynn v. Alden, 92, 94.

Young v. Grote, 53

 Copies of the *Bankers' Magazine*, containing the "Manual for Notaries Public," may be had on application to the Publisher. Published monthly. Five dollars per annum.

J. SMITH HOMANS,  
No. 70 Wall Street, New York.

THE  
BANKERS' MAGAZINE,  
AND  
Statistical Register.

---

VOL. III. NEW SERIES. JULY, 1853. No. I.

---

A BANKING SYSTEM FOR THE CITY OF NEW YORK.

It will be admitted by all, that the welfare of a country is intimately connected with the stability of its currency.

Congress have established a sub-treasury system, requiring all payments to government to be made in gold and silver, while each State in the Union is left in undisturbed possession of the privilege to create banks, which furnish notes, or paper money, for the general use of the whole country. "Whatever bank-notes may be, in law, they are, practically, and in fact, a legal tender; all classes receive them, and the bulk of the people are totally without power to refuse them. The paper that comes into their hands is a part of the currency, or money, of the country, and it is quite as much a part of the duty of government to take measures that this paper shall be truly and substantially what it professes to be, as that it should take measures to prevent the issue of spurious coins, or the use of false or deficient weights and measures."

Most of the States are following the example of our own State, in adopting the "free banking law," which permits any body to establish a bank of discount and deposit, and to issue notes on a pledge of stock and real estate. "Security for the ultimate solvency of those who issue paper money, is confounded with, and conceived to be the same thing as security for the due regulation of the amount of that paper money: a fallacy very prevalent and very erroneous. Insolvency on the part of an issuer, affects the holders of the notes of that issuer, and those only; but improper fluctuations in the amount of the paper issues, affect the whole community in common; they disturb the steadiness of prices, and the

movements of trade, they tend to derange the equilibrium of exchange with other countries, and if not subjected to timely control, may endanger the very basis of the whole monetary system." It is, indeed, perfectly right to protect, by legislative enactment, the holders of bank notes; but it should also be a paramount duty to guard the character and preserve the value of the currency. The time may come when it will be asked, if State Stocks are to be the basis of issues, why should not other stocks possess the same right? If improved real estate is also entitled to the same privilege, why not wild lands? With increasing confidence and advancing prices, they may, perhaps, all stand, before long, on a common level, for the purposes of the law.

We find, accordingly, that the General Government deals in gold and silver alone, without attempting to exercise any control over the general currency, while the people at large deal in bank notes, issued by numberless institutions, of high and low degree, continually multiplying over the face of the land; and our condition—for we have no *system*, properly so called—our state or condition of banking, is one of extended, nay, unlimited credit; exposed to continual danger, without any efficient check, control or protection. Need we recur to the financial pressure in August, 1851, when, notwithstanding the supply of gold from California, our banking credit became so rudely shaken that confidence itself seemed faltering on the threshold?

The supply of gold from California has not increased the stock held by our banks. These institutions have no more specie in their vaults now, than they had before the discovery of the gold mines; and although there is more gold in the country, and in circulation, still, bank notes are increasing in a greater proportion.

One of the errors in opinion, with regard to the effect of the increased product of gold in California and Australia, was, that money must become superabundant, and the rate of interest lower; forgetting the stimulus that would inevitably be imparted, by this supply of the precious metals, to increased activity, to increased production, to increased values, to increased consumption, and consequently to an increased demand for money as the common representative.

We are exploring the bowels of the earth for iron and coal, and metals more valuable than gold or silver, and our Union is being cemented from one end to the other by extended bonds of international communication. Our railroads are uniting the Gulf of Mexico and the sources of the Ohio, and are connecting the Atlantic and Pacific Oceans; while villages and towns and cities are springing up around us, increasing in wealth and population, throughout the wide extent of our borders. At the same time we are rolling up a heavy indebtedness to England, in the various forms of stocks issued by States, and corporate authorities, and chartered companies; while our imports, for the extravagant use of an extravagant people are enormous. The interest on the former must be paid half yearly, while the balance, for the payment of the latter, must be continually adjusted and discharged.

New York is the commercial and financial centre of the Union, where both foreign and domestic exchange must, to a great extent, be regulated

and controlled. The great portion of our imports is received at this port, and although eventually paid for by the productive industry of the whole country, the original debt, beyond what is remitted in anticipation, is principally contracted here; and the specie for the duties must be furnished here; and although the surplus produce of the Union, when exported, in all its various forms, furnishes bills of exchange against the proceeds, still *here* must be finally provided the balance of exchange or specie required to be sent abroad in payment.

New York, therefore, owes it to herself, as well as to the rest of the Union, to endeavor to adopt something that may deserve the name of a system—that shall give to her banking operations stability, efficiency, and security. To accomplish this object, a plan has been suggested which is alike feasible and practical—and like almost everything else that is valuable, it is also extremely simple. It is herewith recommended for consideration and adoption.

Let the banks of our city associate and establish a “CLEARING HOUSE,” where exchanges shall be made daily, and where all their specie shall be deposited, except what may be required for daily wants in their current business.

Supposing nine millions to be enough for the average deposit of specie in our banks—let that be the minimum deposit in the general treasury in the Clearing House, and let each bank contribute according to its capital, or upon some equitable principle that may be determined on, in furnishing this amount.

As to the Exchanges. All the exchanges to be made at a fixed hour daily, a record kept at the Clearing House, and the messenger from each bank furnished with a certificate of the respective balances.

As to the Specie Drafts. A demand for specie for export or for the Sub-Treasury, on any of the banks of the association, to be paid by a draft on the Clearing House. If any bank becomes minus at the Clearing House in its proportion of the required contribution to the general stock of specie, such deficiency to be demanded and made good immediately. A committee, composed of officers of the banks, to be appointed to enforce the rules and regulations established by the association to carry out the plan for the security of each and of all.

Such is the plan which has been proposed and is now submitted to the banks of our city. It might go gradually into operation—commencing at first with moderate contributions in specie. A few banks would be sufficient to lead the way—others would soon follow the example, until, before long, all would feel disposed or *might* be compelled, for their own interest and credit's sake, to unite in carrying out the scheme.

Each bank would still be left to manage its own affairs in its own way. Each would judge for itself how far interest and safety might allow it to go in loans, in reference to its position with its associate banks. In the same way that all banks should form a judgment in regard to our general condition as a debtor or creditor city, in our relations with the rest of the Union, as well as with Europe, under the influence of the money market of London, controlled by the Bank of England.

The daily exchanges at one common centre, and the general deposit of

specie at a common treasury, maintained as the standard of amount might be, by efficient regulations, operating for the common protection, would prove essentially serviceable in preventing, in some degree, and diminishing, to a great extent, the effect of those fluctuations and contractions in our money market, to which we are and must be continually exposed. Such a plan would tend not only to "systematize," but to facilitate the operations of our banks, without curtailing their regular and legitimate profits. It would prevent any one institution from trading on the capital of another, at least without its knowledge and consent. It would do away with the present troublesome and annoying practice of checking and drawing on each other for specie, without any precise knowledge on which bank the balance draft may finally rest, while each one is striving to divert the attack from its own vaults; and it would have a tendency to increase confidence, by creating a well-founded belief that, while the means and temptations to undue expansion would be diminished, the concert of action and unity of purpose on the part of our banks that would naturally result from the conservative influence of such a course, would add alike to the security of their stockholders and the convenience of their customers. It would remedy many of the evils and defects of our present mode of banking, as applied to our own condition; it would furnish protection to the banks themselves, by increasing public confidence, not merely in the notes they issue, but in the *credits* they furnish; while the basis of our moneyed operations would be strengthened, and something deserving the name of "a system of banking," would be established in our city.

PUBLIUS.

---

**NEW YORK BANKING.**—The Legislature, at its first session of 1853, passed an act authorizing the reception of certain city bonds as collaterals for bank issues, including the bonds of the incorporated cities of this State.

The bill has been generally considered a good one by the bankers of our city; but does not meet the approval of Governor SEYMOUR.

The Superintendent of the Banking Department, in his last report, alluded to the fact that a large amount of Public Stocks held in trust by the Banking Department, will soon be due. Of these, \$1,449,300 are in Stock of the United States, due in July 1863. Other large sums will fall due in the years 1864, '65, and '66.

The annexed extracts from the report will give the views of the Superintendent:—

"The Superintendent is of opinion that the stocks issued by the larger States, such as Ohio, Pennsylvania, Virginia and Kentucky, may be admitted with safety and advantage to the public.

"We are admonished by our early experience under the general banking law, that great caution is necessary in allowing the debts of other States to become the basis of our currency.

"By the act of 1838, the stocks of all the States were made receivable for banking purposes: the consequences which followed were disastrous. The stocks issued by the States of limited resources were most easily procured, and formed a large portion of the basis of the circulation of banks formed under the provisions of the act of 1838."

Under these circumstances it is obvious, that the Legislature must adopt either the bonds of other States, or those of our own incorporated cities, as an additional basis of banking.

A SUMMARY  
OF THE  
LAW OF BILLS OF EXCHANGE, PROMISSORY NOTES, &c.,  
WITH REFERENCES TO AMERICAN DECISIONS.

BY BERNARD ROELKER, A. M., OF THE BOSTON BAR.

---

*On the Origin and the Functions of Notaries Public.*

THE origin of that class of public officers now called Notaries Public may be traced as far back as the ancient Roman Republic, although their functions now are different. We find, at the time of the Republic, *scribae* and *librarii*, who were public secretaries. The private secretaries were called *exceptores*, and also *notarii*, if they were shorthand writers, which service was frequently performed by slaves. The public secretaries were those whom the authorities of state appointed and paid, to assist them in their duties of office, and they appear to have corresponded to our present actuaries and secretaries. It does not appear, however, that legal documents were drawn up by public functionaries, resembling our notaries public. During the Empire, the public secretaries increased both in number and importance. They appear to have been secretaries, working in the cabinet of the Emperor, in distinct departments, and they had an overseer, called *magister scriaiorum*.

Distinct, however, from these persons were those who may be compared to our present Notaries Public, and who were called *tabelliones*. It seems that what even at the present day may be seen in Italian cities was already customary in the early days of ancient Rome; namely, that in the public market-place or forum scribes offered their services to persons who wanted to have letters written or documents drawn up.

This class of persons were called *tabelliones forenses*, or *persona publica*. They occupied themselves with drawing up legal instruments and documents, and other writings (*libelli*) or statements, to be presented to the courts of law, or other authorities of state. It appears from a "Constitution" of Diocletian, that a tariff of fees was established for them.

The number of *tabelliones* constantly increased. They then formed themselves into a guild or corporation (*schola*), under a presiding officer



called *primicerius*. The state authorities began, more and more, to exercise surveillance over them, which even went so far that the magistrates determined whether a person should be admitted into, or an unworthy person be removed from, this guild of *tabelliones*.

These persons prepared all kinds of legal documents and papers, but they still carried on their business in the public market-place. It was soon found necessary, for judicial purposes, to define by law what should be the requisites of such notarial acts and writings, to make them legal evidence. It had become a usage, in important matters, to have witnesses also attest the papers drawn up by these public scribes or *tabelliones*, and it was finally required by law, that three witnesses should attest a document, in case the principals could write, and five witnesses, if the parties could not write. It was moreover required, that the notary (*tabellio*) should be present in person, at the drawing up of the document, and also affix his signature and the date of execution.

During the Empire, another class of officers, called *tabularii*, came up in the cities. Their functions resembled somewhat our archivaries and auditors. They also made out certain documents, and these bore sometimes the names both of a *tabellio* and a *tabularius*; but at a later period both names are used as synonymous.

Under the Frankish kings Roman institutions were imitated. In the imperial bureaux, the emperors needed and employed persons for drawing up documents and countersigning them. These officers were called *referendarii*, *cancellarii*, and *notarii*. The chief of these officers was called *archinotarius* or *summus notarius*, but at a later period *cancellarius*, as a more honorable title. The Frankish kings, as early as the year 803, appointed these officers, and issued laws to prevent the abuse of their power. It became later the sole prerogative of the kings to appoint these notaries; but by degrees the Popes of Rome also assumed the same right; and we find in documents notaries named who were appointed by princes and bishops, and even by cloisters.

The legal powers of notaries, during the Middle Ages, and their condition, as a distinct class of officers, are distinctly seen in the Italian cities. They acted either by authority of the Emperor, or that of the Pope, and were engaged for drawing all the various legal documents, and especially last wills and testaments, which were received in all the courts of law as full proof. They were formed into a guild, called *collegium*, and had their own prefects, called *consules*. A candidate for admission into this college had to undergo an examination. Minute and strict rules for the drawing up of instruments, and their attestation, were prescribed. The study of notarial functions was reduced to rules, and notarial schools were established in many cities.

Notaries came to be regarded, at an early period, as a kind of judges (*judex chartularius*), and a practice grew up among them of inserting in bonds, or other documents of indebtedness, a power for the creditor of taking out execution, by application to the court, in case of non-fulfilment of the contract, which laid the foundation of the so-called "executory process," which prevails still in the Civil Law countries, and which corresponds somewhat to the warrant of attorney to confess judgment in

the English law. We shall see, that the foreign law on bills of exchange on the Continent of Europe gives this right of "executory process" to the creditor of these mercantile instruments, and thus strengthens the security of the creditor.

In France the notaries have always played an important part in her judicial institutions, and they do so still. The king regarded it as his prerogative to appoint them, but the Popes also arrogated this power, and the lords of provinces (*seigneurs*) assumed it likewise. They were regarded there as *juge ordinaire*, and inserted in their documents this executory power or summary execution (*execution parée*).

The basis of the present rights and duties of notaries in France was laid by the law of 1791, which recognized no longer any royal notaries, but only *notaries public*, appointed by the general government. The law of the 11th year of the Republic recognized them as public officers, appointed for the purpose of drawing up all papers and contracts which, either according to express laws or the will of parties, are to have the effect of public documents, and of fixing the dates thereof, of holding in safe keeping these acts, and of making out copies of them for the use of the parties concerned. All documents made out in the presence of two notaries, or of one notary and two witnesses, and attested by them, receive full credence in all the courts of law, and are executory throughout the land. The original (*minute*) of the act remains in the hands of the notary, and copies are allowed to be given only to the interested parties, unless specially empowered by the courts. The law points out many cases in which the presence of a notary and his attestation of instruments are essential; e. g., with testaments, donations, marriage contracts, protests, &c. In most cases it is left to the choice of parties to employ a notary in the making out of instruments and documents.

But the courts often appoint them, to undertake the part of mediator in some judicial proceedings; for instance, in cases of divorce, or in making out inventories, or in dividing and distributing property and estates, or in taking and making up accounts, like the Masters in Chancery in English law. The notaries are appointed for life, and can be removed only by a judicial decision. By their official position, they become the advisers in families and the *confidants* of them. They become the mediators in disputes between the parties, and particularly in regulating and settling estates, and in the distribution of property.

The law of the 7th year of the Republic requires that all acts and documents made out by notaries be registered within ten days, the fees for which are very high. Hence it often happens, that the notary must advance the money for the registration, and this obliges him to have sums of money always at his disposal. Thus notaries have gradually come to deal in money affairs in general, by loaning and investing money, and procuring money for borrowers. Hence it is, that persons of property intrust their money and property to the hands of notaries, as being the fittest persons to invest it safely and advantageously. The great influence which they thereby must acquire, in families and in all classes of society, is manifest; and this great power could not but lead to great abuses. An ordinance of 1843 prohibited notaries, under heavy

penalties, from entering into stock speculations, from acting as money-brokers, from investing money intrusted to them in their own names, &c.

The requisites for becoming a notary in France are, that the candidate be a French citizen, twenty-five years of age, and that he has served as clerk with a notary for six years. But no man, without property, can expect to obtain a place as notary, because he is obliged to buy, often for an enormous price (which in Paris often amounts to from 200,000 to 300,000 francs, in smaller towns to 100,000 francs, and in small communes to 10,000 francs), from a notary who is about to retire, or from the heirs of a deceased notary, a study-room or office (*étude*), with the acts and documents belonging to it; for without such an office, the mere appointment of notary is of little value.

There are also established by law, in France, notarial chambers, which consist of a number of deputies, chosen by the notaries, who regulate the discipline among them, decide on the admission of candidates, adjust disputes which may arise among themselves, and hear and decide on the complaints of third persons against notaries, and the punishments of delinquent notaries.

In Italy, the French system of notaries has been followed in its main features. In Germany, however, the notaries occupy but a subordinate position in most states, and it has been now almost generally established by law, that only persons who have studied law for several years can be appointed as notaries.

In England, notaries were known, as public officers, before the Norman Conquest, and at a very early period they were employed to attest and authenticate instruments of moment and solemnity. But whatever their duties and functions may have been in former times, at present they are described to be, by Richard Brooke, in his treatise on the office of a notary public of England, as follows:—

“In England, a notary is a public officer of the civil and canon law, who derives his faculty or authority to practise from the Court of Faculties of the Archbishop of Canterbury in London, the chief officer of which is the Master of the Faculties, to whom applications are made for the admission, or removal under any special circumstances, of notaries; in the Institutes of the Laws of England, the Court of Faculties is stated to be ‘a court, although it holdeth no plea of controversie (like the Court of Audience next before). It belongeth to the archbishop, and his officer is called *Magister ad Facultates*.’”

The functions and powers of a notary in England are, to draw and prepare deeds relating to real and personal property, to note and protest bills of exchange, to prepare acts of honor, to authenticate and certify examined copies of documents, to prepare and attest instruments going abroad, to receive the affidavits or declarations of mariners and masters of ships and to draw up their protests, and to solemnize all other notarial acts.

“The expression, *notarial act*,” says Mr. Brooke, “is one which has a technical meaning, and it seems generally considered to signify the act of authenticating or certifying some document or circumstance, by a written instrument, under the signature and official seal of a notary; or of authenticating or certifying as a notary some fact or circumstance, by a written instrument, under his signature only.”

The English notaries have always considered themselves entitled to administer oaths, affidavits, and affirmations, as within the powers and functions of a notary; and the Act of 5th and 6th William IV. has placed it beyond dispute.

The requisitions for admission to the Faculty of Notaries in England are an apprenticeship or clerkship of five years with a notary, a certificate from two notaries certifying to the candidate's skill and probity, and that he is a proper person to become a notary. Upon due proof of these facts, the Master of Faculties will admit him upon his taking the prescribed oaths, which are the oath of allegiance, the oath of supremacy, the oath of due service under the articles of clerkship and for the faithful exercise of the office of notary.

A notary is liable to be struck off the Roll of Faculties, for any malpractice or misconduct in his office, on a complaint made to the Master of the Faculties, and supported by affidavit or other proof.

In the United States, the duties and functions of notaries resemble those of the same officers in England. They are appointed by the respective Governors of the States, for a limited number of years or during good behavior, and derive their powers by the statute laws of the States; and in cases where these laws do not specify their powers, as, for instance, in Massachusetts, it must be presumed that all the powers which by general usage, the custom of merchants, and law of nations are generally exercised by these officers, are also vested in them. We may state their general and customary functions to be, to demand acceptance and payment of foreign and inland bills of exchange and promissory notes, and to protest the same for non-acceptance and non-payment, to note and draw up ship protests, and all other protests which are customary according to the usage of merchants, and to exercise such other powers and duties as by the law of nations and according to commercial usage, or by the laws of any other State, government, or country, may be performed by notaries public.

But although notaries public are generally considered as accredited officers in other countries, and affidavits sworn before and instruments authenticated by them are received in evidence in foreign courts, it is required by foreign courts, that the consuls of the respective foreign states in which the document is to be used certify to the fact that the person whose signature and seal are affixed is a notary public duly appointed. This is, however, not necessary in a protest for the non-acceptance or non-payment of a bill of exchange.

The laws of the different States of the Union, in some instances, give some peculiar powers to their notaries, and hence the laws of each State must be consulted in regard to them. The principal functions of an American notary are, to protest bills of exchange and promissory notes on their being dishonored, and as a part of this function, to present and demand payment of these mercantile instruments. Although the notaries with us generally give notice of the dishonor of bills and notes to antecedent parties, it is not their duty to do so, unless made so by statute, or they undertake so to do as a part of their duty, and then they are liable for any negligence in the discharge of this duty.

We shall give, in the following pages, a synopsis of the law on bills of exchange and promissory notes, as recognized in the United States and England, and prefix a general statement of the law on this subject which prevails on the Continent of Europe.

*Foreign Laws regarding Bills of Exchange and Promissory Notes.*

As the English law agrees, in almost every particular, with that in the United States, we shall here point out only the principal and essential rules which prevail on the Continent of Europe, among the different nations, in regard to bills of exchange and promissory notes. The most important nations are the French and the German. The French Commercial Code on bills and notes has been adopted in a number of other countries, viz. Belgium, Modena, Sardinia, Lucca, Poland, Greece, Geneva, Hayti, Ionian Islands, Turkey and Wallachia, the Papal States, Luxemburg, Tessin and Wallis, with but slight variations here and there; so that, when we speak of the French law, it will equally apply to all these countries.

A new and uniform code of laws regarding bills of exchange and promissory notes has been introduced, since 1849, throughout Germany (with the exception of the small states of the Grand Duchy of Luxemburg, the Duchy of Limburg, and the principality of Liechtenstein), so that when we speak of the German law, it will apply to every one of the thirty-eight States of Germany (excepting the above-named three), including the whole of Austria and her crown-lands, and the whole of Prussia, Wurtemberg, Bavaria, Hanover, Saxony, Brunswick, Baden, etc., containing more than sixty millions of people, and the important commercial cities of Hamburg, Bremen, Frankfort on the Maine, Lubeck, Leipzig, Berlin, Vienna, Trieste, Brunswick, Stuttgart, etc.

There exist yet distinct codes on bills and notes in Russia, Holland, Copenhagen, Spain, Portugal, at Basle, and St. Gallen, which we shall notice where they essentially differ from other codes.

The law on the Continent of Europe, in regard to legal remedies on bills and notes, is more stringent than in regard to other civil contracts, in so far as it allows personal imprisonment for a breach of such a commercial engagement, be it as drawer, acceptor, or indorser; whereas no personal arrest and imprisonment can be had against a debtor for an ordinary debt. When we use the expression, that a party is liable according to the laws of bills of exchange, it must be understood, also, to mean, that these extreme legal remedies of coercion may be applied to him.

The time of imprisonment differs in different states, and varies according to the amount of indebtedness. The French law allows personal imprisonment not exceeding one year, if the debt does not exceed 50 francs; two years if the debt does not exceed 1,000 francs; three years for a bill of from 1,000 to 3,000 francs; and four years for a debt of from 3,000 to 5,000 francs, and five years for any sum beyond this. But persons of the age of seventy are entirely exempted from arrest, and parties to promissory notes (*billets à ordre*), if not merchants, ex-

cept the notes were given on account of some mercantile transaction, traffic, exchange, banking, or brokerage, are also free from personal arrest in France.

In Austria, the imprisonment for a debt on bills cannot exceed one year, in Prussia, five years; other German states differ in regard to time, but they are, generally, less rigorous than the French law, and exempt from arrest, beside persons of the age of seventy, various others; for instance, relations by blood or otherwise, military persons, public officers, &c. The creditor, however, has to bear the expense of board for the debtor, and if he neglects to provide for it, the debtor is released and cannot be arrested again.

*Requisites of Bills of Exchange.*

A bill of exchange is called in French *Lettre de Change*; in Italian, *Lettera di Cambio*; in German, *Wechsel*, or *Gezogener Wechsel* (a Drawn Bill, to distinguish it from a promissory note, which is called a Dry Bill, *Trockner Wechsel*). (See Promissory Notes.)

The essential requisites of a bill of exchange in Germany are (Art. 4): — 1. That the word “bill of exchange” (*Wechsel*) be contained in the instrument, or, if written in a foreign language, the expression corresponding to it. 2. The specification of the sum of money. 3. The name of the person or firm to whom or to whose order it is payable. 4. The statement of the time of payment; and this can be made only on a day certain, at sight (*a vista*, etc.), or at a certain time after sight, or at a certain day after date, or at a certain fair (*Messe*). 5. The signature of the drawer, by his name or firm. 6. The statement of the place and date of month and year where and when it was drawn. 7. The name of the person or firm on whom it is drawn (*Drawee*). 8. The specification of the place of payment; if no place is mentioned, the place of the drawee is to be taken as the place of payment and the domicile of the drawee.

The bill must be for the payment of a sum of money, and not for goods or state stocks; nor can it be made payable with interest, or with any condition attached to it.

The Code of the Kingdom of the Two Sicilies allows also payment in goods.

The bills of exchange payable to bearer (*au porteur*) are not admissible, either in Germany or France.

The French law (Art. 110) requires that bills of exchange shall be drawn from one place on another place; that they shall be *dated*, and that they specify: — 1. The sum to be paid. 2. The name of the person who is to pay the same. 3. The time *when*, and the place where, the payment is to be made. 4. The value furnished, whether in money, in merchandise, in account, or in any other manner.

They are drawn to the order of a third person, or to the order of the drawer himself. If they be drawn in sets, 1, 2, 3, etc., it must be so expressed.

Art. 111. A bill of exchange may be drawn upon one person, and

payable at the domicile of a third. It may be drawn by the order and for the account of a third person.

Art. 112. All bills of exchange, containing a fictitious name, quality, domicile, place where drawn or where payable, are held to be only simple promises; (Art. 113) the signature of a married or single woman not a trader or merchant, is equivalent, with respect to her, only to a simple promise; and (Art. 114) bills of exchange signed by minors not merchants, are void in respect to them.

In Germany, every person who can lawfully bind himself by a contract may become a party to a bill of exchange. The age of majority is, however, different in different states; in Prussia it commences with the completion of the twenty-fourth year of age; in Austria, Bavaria, Saxony Baden, and in those states on the Rhine where the French Civil Code prevails, it commences with the twenty-first year of age, and the same is the case in France and Turkey.

In Sardinia, only merchants can draw inland bills, but any body may draw foreign bills.

The Russian law excludes only women who do not carry on commerce.

The Code of the Kingdom of the Two Sicilies excludes women in general.

The Code of Copenhagen makes the capability of becoming a party to a bill of exchange general, but confines it only to bills of exchange, and does not include promissory notes.

The Spanish Code of Commerce of 1829, § 434, grants to other persons than merchants the right of also becoming parties to bills of exchange, but only in cases where they have drawn or accepted bills on account of a mercantile transaction.

Parma and Tuscany grant only to merchants the right of becoming parties to bills.

The Code of Basle of 1809, § 53, requires that a person's name be entered in the book of mercantile firms, called the book of *Raggiones*, which is in many cities kept either at the exchange or the city-hall.

The law of Basle requires the sum payable to be stated in letters, and not merely in figures; the laws of Russia and Copenhagen require the sum to be stated both in letters and in figures; and the law of St. Gallen provides, that any erasure or alteration of the sum, or any other requisite part of the bill, renders the bill void, and entitles the drawee to refuse payment. By the law of Copenhagen, the bills payable to bearer (*lettres au porteur*) are allowed, but not by the law of Germany or France.

By the French law (Art. 129) a bill of exchange may be drawn payable at sight, or at one or more days, or months, or usances, after sight or after date; or on a day fixed, or at or during a fair (*en foire*); and (Art. 132) the usance is thirty days, which run from the day after the date of the bill; and (Art. 133) a bill payable at the fair is at maturity on the evening preceding the day fixed for the termination of the fair, or the day after the fair, if it continue only one day.

The German law (Art. 4, No. 4) does not now allow bills drawn in

Germany on a foreign country, or inland bills, to be drawn at usance (*a uso, mezzo uso, doppio uso*, i. e. at single, half, or double usance), or *a piacere*, "on demand" (with the exception of Austria, which allows the latter). If foreign bills are drawn upon any German state at a usance, the time of maturity (*échéance, scadenza*) is to be determined by the foreign law, viz. that of the place where the bill is drawn, which law also determines whether the *usance* is counted from the day of presentation, or from the day of drawing. The German law does not admit either of fixing the time by the happening of certain events, or by certain periods of time, as "on Easter," etc.

The law in Turkey does *not* admit *usance* (Art. 87), differing in this respect from the French law.

The law of Norway (of 1842) provides (Art. 1) that bills shall not be drawn beyond the time of six months, or, if payable out of Europe, not beyond one year. The law of Copenhagen appoints still shorter periods.

## Indorsement.

In Germany, the law in regard to indorsement (*Indossament, Endosso, Giro*) is, that the payee can transfer a bill of exchange upon another person by indorsing it either in blank, or in full, and the indorsee will have the same rights against all other antecedent parties as the indorser; and the payee may indorse, and the bill is negotiable, although the drawer did not make it payable to order. If the drawer does not wish to make it negotiable, he must insert the words "not to order" (*nicht an Ordre*) or something similar. The mere striking out of the word "order" in the printed formula, and adding the word "self" to the name of the payee, will not operate as forbidding the negotiability. The blank indorsement must be put on the back of the bill, or of a copy of it, or on a piece of paper, commonly called "Rider" (*Alonge*), connected with, and joined to the bill or copy. Every holder may fill up the blank indorsement, or may also indorse it further in blank, and is answerable to all subsequent holders, unless he adds the words "without guaranty" (*ohne Gewährleistung, ohne Obligo*) or some similar expression, which corresponds to our "without recourse." If the words "not to order" (*nicht an Ordre*), or a similar expression, are added to an indorsement, and the bill is yet indorsed or handed over to other persons, these subsequent holders can have no recourse against such an indorser. But if the words *in procura*, "for collecting" (*zur Einkassirung*), are added to an indorsement, then such an indorsement does not transfer the property in the bill, but empowers such indorsee to indorse it further for the same purpose, and also to have the bill protested, and to give notice to his antecedent indorser, and to commence legal proceedings for non-payment.

The laws of Copenhagen (Denmark), Holland, Russia, and Sweden, also allow blank indorsements.

But the French law requires (Art. 137 of the Code) that, in order to pass a valid title to a bill, the indorsement should be dated, and the name of the indorsee and the value should be stated, and if further nego-



tiability be intended, the words "to order" should be added. A blank indorsement is held to be a mere "*procura* indorsement," i. e. for the purpose of collecting. The Spanish law, which also prevails in Mexico and South America, holds the blank indorsement of no effect. The French and Russian laws punish the antedating of an indorsement like forgery. But the Spanish and Dutch laws regard it as forgery only when it is done for an evil purpose.

The law of Portugal requires the date to a blank indorsement.

The French law, and all the countries following the same, the Russian law, and that of St. Gallen, hold only bills made payable to order as negotiable and transferable.

The Spanish law (of Bilbao) requires the indorsement on the back of the instrument.

The Sardinian law regards the clause "without recourse," "without *obligo*," as not written at all; and if the *drawer* should add these words to his name, the instrument is not regarded as a bill.

The law in Germany is (Art. 16), when a bill has been indorsed after the lapse of time accorded to protesting for non-payment, that the indorsee acquires the rights springing from the acceptance against the drawee, and the right of recourse against those who indorsed it after the lapse of this period.

But if the bill has been protested for non-payment before the indorsement is made, then the indorsee has only the rights which his indorser has against the acceptor, the drawer, and the indorsers up to the time of protest. Nor is such an indorser after protest, in such a case, liable according to the laws on bills, but only according to the common law.

The Russian law makes a like distinction.

The Dutch and Portuguese laws regard an indorsement after maturity only as a cession of rights.

The Sardinian law regards it only as an indorsement for procuration.

The French law is not decided on this point, and the courts regard such an indorsement generally as admissible, but sometimes as a full and good indorsement, and then again only as one for procuration, i. e. power of attorney.

In Italy it is regarded as a *procura* indorsement, i. e. as a power of attorney.

#### *Presentation for Acceptance.*

The German law (Art. 18) provides, that the holder of a bill is entitled to present the bill for acceptance at once, and, if not accepted, to have it protested for non-acceptance. But bills payable at fairs (*Mess-Wechsel, cambia regularia vel feriarum*) can be presented only at the time fixed by the law for presentation. The mere possession of a bill entitles a person to present it, and to have it protested, in case of dishonor.

But (Art. 19) the holder of a bill, payable at sight, or a certain time after sight, must present it at least within *two* years from the date of its being drawn; and if a period of presentation has been prescribed either by drawer or indorser, the bill must be presented within that period,

or the holder will lose his right of recourse against drawer and indorser as debtors on account of the bill.

The law of Russia fixes the time, within which bills at sight or after sight must be presented, at one year, unless the drawer has prescribed a period; but in case of neglect to present the bill, it will still be good as evidence of indebtedness for the ordinary period, beyond which debts become outlawed.

The laws of other countries fix the time of presentation for acceptance or payment according to the distance from the place of drawing to the place of payment.

The French law (Art. 160) requires that the holder of a bill of exchange, drawn from the Continent and the European islands, and payable in the European possessions of France, whether at sight, or at one or more days, months, or usances after sight, must demand payment, or acceptance, within six months from its date, under the penalty of losing his remedy against the indorsers, and even against the drawer, if the latter had made provision for the payment of the bill in the hands of the drawee.

A delay of eight months is allowed for the presentment of a bill drawn from the ports of the Levant, and northern coast of Africa, on the European possessions of France, and, reciprocally, from the Continent and European islands on the French establishments in the Levant, and northern coast of Africa.

A year is allowed for the presentment of bills drawn on the western coast of Africa, as far as, and including, the Cape of Good Hope. A year is also allowed for the presentment of bills of exchange drawn from the American continent and West-India islands on the European possessions of France, and, reciprocally, from the European continent and islands on the French possessions or establishments on the western coast of Africa, on the American continent, and West-India islands.

Two years is allowed for the presentment of bills of exchange drawn from the East-India continent and islands on the European possessions of France, and, reciprocally, from the European continent and islands on the French possessions or establishments on the East-India continent and islands.

The delays above mentioned, of eight months, one year, and two years, are allowed to be doubled in time of maritime war.

If the drawer has not made provision for payment with the drawee, the former will be held liable, although a protest has been made after the time fixed by law.

*Of Acceptance.*

The law of Germany (Art. 21) requires that acceptance of a bill shall be made in writing on the bill itself; and if the drawee writes but his name or that of the firm on the face of the bill, it is considered an absolute acceptance, and every declaration written on the bill and signed is taken as an absolute acceptance, unless the drawee expressly states in it that he will not accept, or will accept only on certain conditions. The acceptance, once made, cannot be taken back.

(Art. 22.) The drawee may restrict his acceptance to only a part of the sum specified in the bill. But if other limitations or conditions be added, the bill is regarded like one non-accepted; the acceptor, however, is answerable for the contents of his acceptance according to the law on bills.

(Art. 23.) The drawee, by his acceptance, becomes liable, according to the law on bills, to pay the accepted sum at maturity, and he is also liable to the drawer according to the law on bills. But the drawee has no rights peculiar to bills, as against the drawer.

The French law (Art. 122) requires that the acceptance of a bill of exchange must be signed; it is expressed by the word "accepted" (*accepté*) it is dated, if the bill be at one or more days or months after sight. And in the latter case, the want of a date to the acceptance renders the bill payable at the term specified in it, counting from the date when it was drawn.

The same rule prevails in those countries which have formed their laws on bills after the French law, which countries have been specified before; it also obtains by the law of Copenhagen.

By the Spanish law, such a bill runs from the day on which it might have been presented, according to the ordinary course of the post.

The French law (Art. 124) enacts, that the acceptance cannot be conditional, but it may be limited in regard to the sum accepted. But in this case the holder is bound to have the bill protested for the deficiency. And (Art. 125) a bill of exchange must be accepted on its presentment, or, at the latest, within twenty-four hours afterwards. After the twenty-four hours have elapsed, if it be not returned, accepted or not accepted, he who has retained it is liable in damages to the holder.

The German law (Art. 20) provides, that if a drawee refuses acceptance, or refuses to date his acceptance, the holder must have the bill protested within the period prescribed for presenting a bill (i. e. two years from date or the time prescribed by drawer or indorser), or he will lose his legal claim against indorser and drawer. The day of protest is, in that case, taken for the day of presentation.

If no protest has been taken, and the acceptor has omitted to date his acceptance, the maturity of the bill is counted from the last day of the period within which it ought to have been presented.

The law of Portugal and Russia and St Gallen makes it generally obligatory, and the law of Holland makes it obligatory only upon the holder, who presents the bill for acceptance, to have the bill protested, absolutely and without delay.

The Spanish law (Law of Bilbao, chap. 13, § 35, which also prevails in Mexico and South America) provides, that the drawee, who gets the bill into his hands, with the consent of the holder, and lets the day of presentation pass by without returning it, is obliged to pay, that is, it is deemed a silent acceptance; and if the acceptance is made in writing, it is required (Bilbao, chap. 13, § 33) that, beside the name of the drawee, also the word "accepted" be added. The law of Bilbao (chap. 13, § 32) has yet the peculiar provision, that, when bills at sight are accepted, only one half of the name of the firm need be signed.

By the French and Portuguese laws, a similar word with "accepted" may be substituted; but it is a mooted question whether the word *vu*, "seen," is sufficient.

The laws of Copenhagen and Portugal also allow, like the French and German laws, the acceptance for a smaller sum than the face of the bill states, and oblige the holder to have the bill protested for the rest, but consider all other conditions as not written.

The Russian law also requires the holder, in such a case, to have the bill protested, or he will lose his right of recourse against the other parties.

In Germany, the law requires the drawee to declare at once, without delay, whether he will accept or not. But the law of France, and of those countries which have been named before as having followed the French law, allows the drawee twenty-four hours' time, as stated before.

The law of Copenhagen also allows twenty-four hours for consideration, and requires the protest only on the next day following.

The law of Tessin allows three days for consideration, and the law of Russia grants time, for taking protest and sending it, till to the second post.

*Proceedings upon Non-acceptance.*

When acceptance has been refused, or when the acceptance is qualified, or for a smaller sum than stated in the bill, the law in Germany (Art. 25) obliges the indorsers and drawer, upon receiving the protest for non-acceptance, to give sufficient security that payment of the whole sum, or of so much as has not been accepted, shall be made on the day the bill falls due for payment, together with the amount of cost. The sum may likewise be deposited in some court of justice, or other authorized institution.

(Art. 28.) The deposited security is restored, if the bill should afterwards be fully accepted, or if the holder or other person who takes recourse does not commence a suit within a year from the maturity of the bill, or if the bill has been paid.

The French law is the same with that in Germany. But the law of Denmark, Sweden, and Norway, like the English and American law, allows immediate recourse against drawer and indorsers for payment, if the bill has not been accepted.

The law of Portugal follows the French law, but gives the holder also the right to demand from the drawer that he assign and hand over to him all his claims against the drawee, and all the papers relating thereto.

The German law further provides, that when the bill has been accepted, and the acceptor stops payment or goes into bankruptcy, or if an execution against the property of the acceptor has not been satisfied, or his person has been arrested for non-payment, — in all these cases, the holder of a bill may demand security, if the acceptor has not given security, and a protest has been taken in consequence.

The French law (Art. 163) goes yet further, and provides, that, if the

acceptor fails before the day of payment, the bill may be considered as due, and recourse may be had for payment against the drawer and indorsers; and that if the drawer of a promissory note, or the acceptor of a bill, or the drawer of a non-accepted bill, shall fail, the other persons liable on the instruments shall be obliged to give security (Law of 28th May, 1838).

*Time of Payment.*

The following rules prevail in Germany:—

Art. 30. If a day is specified in the bill of exchange as the day of payment, the bill becomes due on this day. If the time of payment is fixed upon the middle of a month, the bill falls due on the 15th of the month.

Art. 31. A bill at sight is due when it is presented. Such a bill must be presented within two years, or the holder will lose his right of redress against the drawer and indorsers; and if one of the indorsers has added a specified time within which it shall be presented, the holder must present the bill within that period, or he loses his right over.

Art. 32. If a bill is payable a certain number of days after sight, or after date, the bill falls due on the last day of the prescribed period, exclusive of the day on which it has been drawn or accepted; that is to say, if the bill is drawn on the 1st of January, and is payable ten days after date, it falls due on the 11th of January; the same would be the case if it were payable ten days after sight, and had been accepted on the 1st of January.

If the period is specified by weeks, months, a year, half a year, or a quarter of a year, then the bill falls due on the day corresponding to that of the day of drawing or acceptance; and if this day is not contained in the month of payment, the day of payment falls on the last day of that month; i. e., if the bill is dated the 1st of January, and is payable three months after date, it falls due on the 1st of April, and if it be dated the 30th of January and payable one month after date, it falls due on the 28th of February.

And if the expression "half a month" is used, the period is held to be fifteen days; and if several months and half a month are used, the fifteen days are counted last.

Art. 33. *Days of grace* are not allowed.

Art. 34. If a bill, payable after date in inland, is drawn in a country where they count after the old style, and if it has not been noted that the bill is dated after the new style, or if it be dated after both styles, the bill falls due on that day of the new style which corresponds to the day of the old style.

Art. 35. Bills payable at fairs (*Mess- or Markt-Wechsel*) fall due on the day appointed by law at the respective places; and if no day has been fixed by law, on the day before the ending of the fair or market; and if the fair or market lasts but one day, it falls due on that day.

The following days have been fixed by law at the principal cities:—

In Brunswick it is law, that no protest for non-acceptance can be had

on a bill drawn on the Brunswick fair, before Monday in the first week of the fair, and the day of payment of these bills is the Wednesday in the first week of the fair.

In Frankfort-on-the-Maine it has been enacted, that bills which are drawn payable at a fair, without specifying the week of the fair, must be paid or protested on Tuesday of the third week; i. e. on the last day of the fair.

In Austria, in the countries where the general civil code prevails, such bills fall due, if the fair last but one day, on this day; if it last several days, but not more than eight, on the day before the legal termination of the fair; and if the fair last longer than a week, on the third day before the legal termination of the fair.

In Hungary, such bills fall due, if the markets last but one day, on this day; if they last from two to eight days, on the last day of the market; if the markets last longer than eight days, on Wednesday of the second week.

In Leipzig, bills that are drawn payable at the Michaelmas fair fall due on the Thursday after the fair has been opened by the ringing of the bell, and bills payable at the New Year's fair fall due on the 12th of January, and if this should fall on Sunday, then on the next following day.

According to the law of Portugal and Spain, bills drawn payable at fairs fall due on the last day of the fair.

The law of France (Art. 130) provides, that a bill drawn at sight is payable on its presentment, and (Art. 131) that the maturity of a bill, at or after a certain time after sight, is determined by the date of the acceptance, or by that of the protest for non-acceptance. (Art. 132.) The usance is thirty days, which run from the day after the date of the bill. The months are according to the regulation of the Gregorian calendar. (Art. 133.) A bill payable at the fair (*en foire*) is at maturity on the evening preceding the day fixed for the closure of the fair, or the day of the fair, if it continue only one day.

Art. 134. If a bill fall due on a legal holiday, it is payable the preceding evening.

Art. 135. All days of grace, of favor, of usage, or local custom, for the payment of bills of exchange, are abolished.

The law of Copenhagen counts the day when the bill is dated, and grants to the acceptor *eight* days of grace, and to the holder *ten* days of grace (called in Italian *giorni di rispetto*).

The law of Russia (§ 66) allows on bills at or after sight *three* days of grace, and on other bills *ten* days of grace, and the same on promissory notes.

The law of St. Gallen allows *six* days of grace on bills and promissory notes.

The German law (Art. 38) enacts, that the holder *must* not refuse an offered part-payment, even though the bill has been accepted for the whole sum.

The French law (Art. 156) states that the payments made on account, as part of the amount of a bill of exchange, operate in discharge of the drawer and indorsers. The holder is bound to have the bill protested for the balance.

The holder, therefore, does not appear to be *bound* to take the part-payment; and the Spanish law says so expressly.

The law of Germany (Art. 91) provides that the presentation for acceptance or payment, the taking of protest, the demand of a duplicate of a bill, and all other necessary acts, must be made and had at the place of business of the person concerned, and if he have none, at his dwelling. It can be done at another place, e. g. at the exchange, only by mutual agreement.

It is taken as certain that a person's place of business or domicile cannot be found, only if the notary or judicial officer has made inquiries at the police-office of the place, without any result, which must be noted in the protest.

If (Art. 92) a bill falls due on a Sunday or general holiday, the next secular day is the day for payment. Also the declaration in regard to acceptance on part of the drawee, or any other act, can be demanded only on a secular day. If the last day of the period within which an act must be done falls on a Sunday or holiday, the act must be done on the next succeeding secular day. And this rule relates also to the taking of protest.

According to the laws of France, Basle, Portugal, and Spain, a bill falling due on a holiday or Sunday is payable on the *preceding* secular day, as by the English and American law.

#### *Proceedings upon the Non-payment of Bills.*

In order to entitle the holder to redress, it is required of him in Germany, that he present the bill for payment, and that he have the bill duly protested. The protest *may* be made on the day of payment, but it *must* be made, at latest, on the second secular day after the day of payment. The presentation of the bill for payment may, likewise, be made within this period of two days, and the holder would not lose his rights, even if he had waited with the presentation to the last day of protest, and the drawee were yet solvent on the day the bill fell due. But a protest before the day of maturity is not good, although payment would not have been made on the day of maturity.

The law of Basle, St. Gallen, Zurich, Russia, Spain, and Portugal, requires, that the bill be protested on the day of maturity, and up to a certain hour of that day (the latter provision is not law in Portugal).

The law of France (Art. 162) and Holland (§ 179), however, requires protest on the day after the day of maturity (*lendemain*); and if this day be a legal holiday, the protest is made on the following day.

If a bill is made payable at a place different from the domicile of the acceptor, and a person there is specified, the German law requires that it must be presented to such person; and if no person be specified, it must be presented to the acceptor at the place specified, and in case of non-payment, it must be protested there. If the proper protest is neglected, the holder loses his recourse, not only against the drawer and indorsers, but also against the acceptor. But in no other case is the acceptor discharged from his liability by the German law (Art. 44), and no

presentation on the day of payment, and no protest, are necessary as to him.

The law of Sweden requires proper protest even in regard to the acceptor, or he will be released.

## Notice.

The German law (Art. 45) requires that the holder of a bill, protested for non-payment, give notice in writing of the non-payment of the bill to his immediate indorser, within two days after the day of protest being taken; and it is sufficient if the notice be put in the post-office within this time.

Every indorser thus notified must, within the same time, counted from the day on which he received notice, give a like notice to his indorser.

The holder or indorsee who neglects to give notice, or who does not send it to his immediate indorser, becomes thereby liable to all, or the omitted, antecedent parties, for the damage resulting from the omission of giving notice. Besides, he loses, as against these persons, his claims for interest and cost, so that he can demand only the sum specified in the bill.

The French law (Art. 165) states, that if the holder would pursue his remedy individually against his immediate indorser, or the drawer, in case the bill came directly from him, he must give him notice of the protest, and, in default of reimbursement, commence his suit against him within a fortnight (*dans les quinze jours*) from the date of the protest, if the said indorser or drawer reside within the distance of five *myriamètres* (10 leagues, equal to about twenty-four miles).

This period of delay, with respect to the indorser or drawer domiciled at a greater distance than five *myriamètres* from the place where the bill of exchange was payable, shall be increased one day for every two and a half *myriamètres* exceeding the five before mentioned.

Art. 166. In case of the protest of bills of exchange drawn in France, and payable out of the continental territory of France in Europe, the remedy against the drawers and indorsers residing in France must be pursued within the following periods, to wit:—

Two months for bills payable in Corsica, in the island of Elba, or Capraja, in England, and in the countries bordering on France.

Four months for those payable in the other states of Europe.

Six months for those payable in the ports of the Levant and on the northern coast of Africa.

A year for those payable on the western coast of Africa, as far as, and including, the Cape of Good Hope, and in the West Indies.

Two years for those payable in the East Indies.

These periods of delay are allowed in the same proportions for pursuing the remedy against the drawers and indorsers residing in the French possessions situated out of Europe.

The above-mentioned delays of six months, a year, and two years are allowed to be doubled in time of maritime war.



**Art. 167.** If the holder pursue his remedy against the indorsers and the drawer jointly, he is allowed, with respect to each of them, the period of delay determined by the preceding articles.

Each of the indorsers has the right of pursuing the same remedy, either individually or jointly, within the same periods of delay.

In respect to them the time allowed begins to run from the day after the service of judicial citation.

**Art. 168.** After the expiration of the above-mentioned periods of delay,

For the presentment of a bill of exchange at sight, or at one or more days, or months, or usances, after sight,

For the protest of non-payment,

For the action against sureties,

The holder of a bill of exchange is barred of all rights against the indorsers.

**Art. 169.** The indorsers are equally barred from all remedy against prior indorsers, after the expiration of the above periods of delay, each as it respects himself.

**Art. 170.** The same exception to the right of action of the holder and the indorsers is allowed with respect to the drawer himself, if the latter prove that provision was made for the payment of the bill at its maturity.

The holder, in this case, preserves his right of action only against the person on whom the bill was drawn.

**Art. 171.** The effect of the forfeiture of the right of action stated in the three preceding articles, ceases in favor of the holder against the drawer, or against any of the indorsers, who, after the expiration of the periods fixed for the protest, notice of protest, or the commencement of the suit, has received by account, or compensation, or otherwise, the funds designed for the payment of the bill of exchange.

**Art. 172.** The holder of a bill protested for non-payment may, by obtaining the permission of the judge, attach, for security's sake, the personal property of the drawers, acceptors, and indorsers.

The law of Portugal (§§ 404 - 406) requires notice to the immediate indorser, or the holder will lose his right to damages only; and further determines, that, by a suit against one indorser only, all other subsequent indorsers who are not sued at the same time will be discharged. The time within which suit may be brought is the period for ordinary debts, five years.

The law of Holland also makes the holder, who does not give notice to his immediate indorser, lose his right to damage and interest too, and fixes certain periods within which suit must be brought; the shortest is one year.

The law of Spain (§ 535) orders, that, after a suit of indemnity has been commenced against an antecedent party, the others can be proceeded against only in case of the insolvency of the first; and that, if the suit is first commenced against the acceptor, the antecedent parties must be notified of the protest, or they will be discharged from their liability.

The law of Copenhagen requires notice of the protest, both for non-acceptance and non-payment, to all against whom the holder will have recourse, or he will lose his right to it.

The Russian law requires notice of protest and presentation of the bill to the immediate antecedent party, and allows recourse only in succession. Antecedent parties who have been skipped are at once discharged from their liability. But the omission of protest and notice effects only a discharge of the antecedent parties from the recourse according to the law on bills, and they remain still liable in an ordinary suit for the payment of the bill, but without being liable to indemnity for damages resulting from such neglect.

## Protest.

The German law (Art. 87) requires that a protest shall be taken by a notary public or an officer of court, but it is not necessary to have witnesses, or a recording clerk.

And (Art. 88) the protest must contain : —

1. A literal copy of the bill of exchange or of a copy of it, and of all the indorsements and notes which are on it.
  2. The name or the firm of the persons for whom and against whom the protest is taken.
  3. The demand made upon the person against whom the protest is taken, his answer, or the remark that he gave none, or that he could not be found.
  4. The statement of the place, date, month, and year when the demand was made, or was attempted without success.
  5. In case of an acceptance *supra protest*, or of a payment *supra protest*, the statement by whom, for whom, and how it was offered and made.
  6. The signature of the notary or the judicial officer who has taken the protest, with his seal of office affixed.
- Art. 89 provides, that, if a demand must be made on several persons, to perform something in regard to a bill, one document of protest is sufficient.

The French law (Art. 173) provides that the protest for non-acceptance or non-payment must be made by two notaries, or by one notary and two witnesses, or by a bailiff (*huissier*) and two witnesses. The protest must be made, —

1. At the domicile of the person on whom the bill is drawn, or at his last known place of residence.
2. At the domicile of the person mentioned in the bill of exchange, who is to pay it in case of need (*au besoin*).
3. At the domicile of the acceptor *supra protest* (*par intervention*).
4. The whole in a single instrument of writing. In case of false indication of domicile, the protest is preceded by a certificate of perquisition or inquiry.

Art. 174. The protest contains, — 1. The literal copy of the bill of exchange, the acceptance, indorsements, and directions therein contained; 2. The demand of payment of the bill of exchange. It declares, — 1. The presence or absence of the person who ought to pay it; 2. The motives of refusing payment, and the inability or refusal to sign.

Art. 162. The refusal of payment must be verified, the next day after

it became due (*le lendemain du jour de l'échéance*), by a protest for non-payment (*protêt faute de paiement*).

If this day be a legal holiday, the protest is made on the following day.

Art. 163. The holder is not excused from making the protest for non-payment either by the protest for non-acceptance, or by the death or failure of the person on whom the bill is drawn.

In case of failure of the acceptor before the bill becomes due, the holder may cause it to be protested, and have recourse to the other parties on the bill.

### Of Re-exchange.

The French law states, that re-exchange results from the act of re-drawing, which is, when the holder of a bill protested draws another bill on the drawer, or one of the indorsers of the former bill, to reimburse himself for the principal of the bill protested, his expenses, and the new exchange which he pays (Art. 178). Re-exchange is regulated, with respect to the drawer, by the current rate of exchange at the place where the bill was payable on the place whence it was drawn; and with respect to the indorsers, by the rate of exchange at the place where the bill has been remitted or negotiated by them on the place where the reimbursement is to be effected.

The bill redrawn must be accompanied with a return account, which must contain (Art. 181),— 1. The amount of the bill protested. 2. The expenses of protest, and of other lawful charges, such as banker's commission, brokerage, stamp-duties, and postage of letters. 3. It must mention the name of the person on whom the bill for reimbursement is drawn, and the rate of exchange at which it is negotiated. 4. It must be certified to by an exchange agent, or, in places where there are no exchange agents, it must be certified by two merchants. 5. It must be accompanied with the bill of exchange protested, the protest, or a certified copy of it. 6. In case the bill for reimbursement be drawn on one of the indorsers, it must be accompanied, besides, with a certificate attesting the rate of exchange at the place where the bill protested was payable on the place whence it was drawn.

Art. 182. There can be only one return account made on the same bill of exchange, and this return account is reimbursed from indorser to indorser, and finally by the drawer. The re-exchanges cannot be accumulated. Each indorser, as well as the drawer, is charged with only one. Interest on the principal of the bill of exchange protested for non-payment, is due from the date of the protest. But interest on the expenses of protest, re-exchange, and other lawful charges, is due only from the day of judicial demand. No re-exchange is due, if the return account be not accompanied with the certificate of an exchange agent, or of two merchants, as prescribed.

The law of Germany provides (Art. 50) that the holder of a bill protested for non-payment has the right to claim,— 1. The principal sum of the bill, together with six per cent. interest per year, from the day of maturity. 2. The cost of protest and other expenses. 3. A commission of one third ( $\frac{1}{3}$ ) per cent.

These items must be paid at the rate of exchange which exists on a bill at sight between the place of payment and the domicile of the person who is bound to reimburse; and if there exists no rate of exchange on the same place, the city next to it on which a course of exchange exists is to be taken.

The rate of exchange must be certified to, if the person liable desire it, by an authorized list of the rates of exchange, or by a broker, duly sworn, or in case of the absence of such an one, by the attestation of two merchants.

An indorser who has redeemed a bill or received the same as a remittance, is entitled to demand of an antecedent indorser, or from the drawer, — 1. The sum paid by him or made good by a remittance, besides six per cent. interest from the day of payment. 2. The expenses which he has incurred. 3. A commission of one third ( $\frac{1}{3}$ ) per cent.

These items must be paid, if the party to whom recourse is had live at a different place from that of the claimant, at that rate of exchange which a bill at sight bears from the domicile of the claimant on the domicile of the party liable; and if there exist no course of exchange between these two places, then the place next to that of the party liable is to be substituted. The rate of exchange must be certified to, as indicated before. But if recourse be taken against a person in a foreign place, where the law allows greater damages, such damages are allowed to be taken.

The claimant may draw a bill, for the amount of his claims, upon the party against whom he claims, and he may then add the broker's commission for the re-exchange and the stamp-taxes. This bill of re-exchange must be payable at sight and drawn directly. But the party against whom recourse is had is not obliged to pay, unless the original bill, the protest, and the receipted return-account be delivered to him. Every indorser who has satisfied one of the indorsers subsequent to him, may erase his own indorsement and that of subsequent parties.

The drawer of the bill of re-exchange has the choice, either to send at once with the bill the vouchers for his return-account, or to make other arrangements for having them in proper time at the place, to be delivered up at the presentation of the bill of re-exchange. (See Art. 50 – 55.)

*Of Acceptance and Payment supra Protest. .*

The German law (Art. 56) provides that, in case there is a person designated in the bill to whom application should be made, if the drawee refuse acceptance (which is expressed by the words, "In case of need, with Mr. —," in French, "Au besoin à M. —," and in German, "Im Nothfall bei H. —"), the holder is bound to apply to these persons before he can demand security from the other parties; and in case there are several such addresses, that person must be preferred by whose payment the greatest number of persons will be discharged.

This address, in case of need, is generally written at the foot of the bill, and it is customary, in all countries except Russia, to add only the initials of the person who makes it; but the Russian law requires that the drawer or indorser should write this address with his own hand.

The German law (Art. 57, 58) further provides, that the holder is not bound to admit the acceptance *supra protest* (in German called *Ehrenannahme*, in French *l'acceptation par intervention*) by any other persons than those designated. The person who accepts *supra protest*, or for honor, is bound to get the protest for non-acceptance delivered to him, and pay the cost thereof, and to have his acceptance for honor noted in a postscript. He is further bound to send notice to the person for whose honor he accepts, and to send this notice, together with the protest within two days after the day of protest, by mail. If he omit so to do, he is responsible for all the damages arising from this neglect.

If the acceptor for honor omits to state for whose honor he accepts, the drawer is taken to be the person honored.

The acceptor for honor becomes liable to all the parties that follow the honored person, according to the laws on bills; but he is discharged from this liability, if the bill is not presented to him, at the latest, on the second day after the day of payment.

Art. 61. If the bill has been accepted *supra protest*, by a person designated in case of need, or by a volunteer acceptor for honor, the holder and the indorsers subsequent to the person honored have no right of recourse for security. But the person for whose honor it has been accepted and his antecedent parties may demand such security.

The French law (Art. 126 – 128) provides, that, at the time of the protest for non-acceptance, the bill may be accepted by a third person, for the honor of the drawer, or one of the indorsers.

The acceptance *supra protest* is mentioned in the protest itself, and is signed by the acceptor, who is bound to notify, without delay, his acceptance to the person for whose honor it was made. The holder of the bill retains all his rights against the drawer and indorsers, on account of the non-acceptance by the person on whom the bill was drawn, notwithstanding any acceptance *supra protest*.

The Russian law does not permit the drawee to accept *supra protest* for the honor of the drawer, except the bill be drawn for account of a third person.

The laws of Spain and Portugal expressly provide that there is no difference between persons designated in case of need, and volunteer acceptors, and that he shall be preferred by whose acceptance the greatest number of persons are relieved.

*Payment supra Protest (French, "Paiement par Intervention"; German, "Ehrenzahlung").*

The law of Germany requires (Art. 62) that, if the drawee does not pay, the holder shall present the bill, at latest on the second secular day after the day of payment, to the persons designated in case of need, and to the acceptor *supra protest*, and have the result of it noted in the protest for non-payment, or in a postscript to it. If he omits so to do, he loses his right of recourse against the person designated in case of need, or the person for whose honor it has been accepted, and the parties subsequent to them.

If the holder refuses payment for honor, offered by a third party, the holder loses his right of recourse against the parties subsequent to the person honored.

The party who pays for honor has a right to demand the delivery up to him of the protest for non-payment, upon his paying the cost of it; and he succeeds to the rights of the holder against the person honored, his antecedent indorsers, and the acceptor.

The French law (Art. 158) provides, that a bill protested for non-payment may be paid by any intervening person, for the honor of the drawer, or one of the indorsers.

The intervention and the payment must be stated in the protest, or at the end of it; and he who pays a bill *supra protest* is substituted in the rights of the holder, and bound to observe the same formalities. If the payment be made for the account of the drawer, all the indorsers are discharged. If it be made for an indorser, all the subsequent indorsers are discharged.

He whose payment will discharge the greatest number of parties must be preferred, and if he on whom the bill was originally drawn, and against whom protest for non-acceptance has been made, presents himself to pay it, he shall be preferred to all others.

### Of Guaranty.

The French law provides (Art. 141) that the payment of a bill of exchange, independently of the acceptance and the indorsement, may be secured by a written guaranty (*par un aval*), which may be given by a third person, either on the bill itself or in a separate instrument of writing. The person thus becoming guarantor is jointly and severally bound with the drawers and indorsers, saving any different stipulations between the parties.

This kind of guaranty is very common in France, and is generally written at the bottom of the bill, but may be given separately, and is binding upon the party though given for the debt of a third person, and though no consideration should be mentioned.

By the law of Germany, the guaranty must be written on the bill itself, which is expressed by signing the name and adding the words "par aval," or "als Bürge," to it. Such a guarantor is liable according to the laws on bills, and in case of payment by him, he has the right of recourse against the antecedent parties according to the same law.

The laws of Holland and Spain agree with the French law, and allow the guaranty to be written in a separate instrument.

*Promissory Notes.*

What are called promissory notes in the English law, are called in Germany "Dry" or "own" bills of exchange, *Eigne* or *Trockene Wechsel* (*Cambia sicca*), so called, as some suppose, originally in Venice and Genoa, because it was not allowed there to send them over the sea, or, as others suppose, because they carried no interest. In France they are called *billets à ordre*, *bons*, *vaglia*.

In order to make these *dry bills* of exchange, or promissory notes, subject to the laws on bills, it is required in Germany, that,— 1. The word "bill of exchange" (*Wechsel*) be contained in the instrument. 2. The statement of the sum to be paid. 3. The name of the person or firm to whom payment is to be made. 4. The statement of the time when payment is to be made. 5. The signature of the drawer or maker. 6. The statement of the place and date of month and year when and where it was made.

The place of the making of the note is taken for the place of payment, unless another place has been designated, and also as the domicile of the maker. The claim against the maker is lost after three years from the date of maturity.

In regard to indorsement, notice, protest, etc., the same laws apply to promissory notes that we have stated in regard to bills of exchange.

If a note is made payable at a place different from that of its date, demand of payment must be made at that place, and protest be made there in case of non-payment. If the proper protest is neglected at the place designated for payment, the maker and indorsers are discharged from their liability, according to the laws on bills. Promissory notes cannot be made payable with interest, or a certain time after notice.

In France, promissory notes must be dated, and must mention the sum to be paid, the name of the person to whose order they are made, the time of payment, the value received, whether in money, in merchandise, on account, or in any other manner (Art. 188).

All the provisions relative to bills of exchange, concerning the maturity of the bill, the indorsement, the joint and several responsibility, the guaranty, the payment, the payment *supra protest*, the protest, the duties and rights of the holder, and the reëchange or expenses, are applicable to promissory notes.

*Of Limitations of Actions.*

The French law provides (Art. 189) that all actions relative to bills of exchange and promissory notes, signed by merchants, traders or bankers, or for commercial transactions, are limited to five years, counting from the day of the protest, or from that of the last judicial proceeding if there has been no judgment, or if the debt has not been acknowledged by a separate instrument in writing.

Nevertheless, persons presumed to be debtors shall be bound, if re-

quired, to declare under oath that they are no longer indebted ; and their widows, heirs, or assigns, that they verily believe that nothing remains due.

The following countries have adopted the law of France, in regard to the limitation of actions on bills of exchange : —

Egypt, Algiers, Belgium, Geneva, Greece, Hayti (which, however, has fixed *six* months as the shortest period for an action of recourse), the Ionian Islands, the Papal States, Lausanne, Lucca, Luxemburg, Montevideo, Parma, Poland, Sardinia, the Kingdom of the Two Sicilies, Tessin, Tuscany, Turkey, Wallachia, Wallis.

The German law provides that the claims against the acceptor are limited to three years from the day of maturity (Art. 77), and that the right of recourse of the holder and indorser against the drawer and the other antecedent parties is barred, —

1. In three months, if the bill is payable in Europe, excepting Iceland and the Faroe Islands, or, respectively, if the indorser who takes recourse lives there.

2. In six months, if the bill is payable in the countries on the coasts of Asia and Africa along the Mediterranean and the Black Sea, or in the islands belonging to them.

3. In eighteen months, if the bill is payable, or the plaintiff lives, in any other country out of Europe, or in Iceland or the Faroe Islands.

The time of limitation begins to run against the holder from the day of protest, and against the suing indorser from the day of his having made payment, or from the day of his having been cited or summoned into court by a subsequent indorsee.

It is further provided, that if the liabilities of the drawer or acceptor, according to the laws on bills, have become extinct, either by limitation or by the omission of some act required by the law on bills, they remain bound to the holder only in so far as they would gain an advantage by his loss.

But such a claim cannot be made against the indorsers, whose liabilities have become extinct by the law on bills.

But the above expression of gaining an advantage is understood to mean a *positive* advantage, so that the proof that each person paid value to his indorser, or that the neglect of some prescribed act caused no damage or injury, is not sufficient. It is necessary, in such an action, to prove, for instance, that the drawer issued the bill for value received, without making over funds to the drawee to cover the bill, or without having a demand against him or a right to draw the bill.

In Holland the law of limitation, for all bills payable there, runs ten years.

In Mexico, according to the law of Bilbao, the right of action against drawer and indorsers is limited to four years.

In Norway all claims become extinct after six months.

The Russian law limits the right of action on bills to two years.

The Spanish law limits the right of action on bills of exchange to four years, and against indorsers of promissory notes to two months.



In Zurich the law limits the right of action against the acceptor to one year, and against the indorsers to three months.

The law of St. Gallen, which also prevails in Berne and Lucerne, limits all right of claim against the drawer and indorsers of bills of exchange to three and four months; but on promissory notes the right of action, according to the law on bills, is limited to one year.

#### *Forged Bills.*

The German law provides (Art. 75) that, although the signature of the drawer of a bill be forged, the genuine acceptance and indorsements shall have effect according to the law on bills.

And (Art. 76) if the acceptance or indorsements be forged, the indorsers and the drawer, whose signatures are genuine, are held liable.

The French law holds the acceptor liable, in case the drawer's signature is not genuine; and this rule applies also to an acceptor for honor.

But according to the Spanish and Russian laws, the drawee who has accepted a forged bill is not obliged to pay it.

If it be not the signature, but the sum to be paid, which is altered, and if the drawee has accepted or paid a larger sum than was specified in the letter of advice, then the drawee can claim the sum overpaid only from the author of the fraud. But those indorsers who indorse the bill after the forgery are liable to the holder for the forged sum.

The French law also will hold the drawer answerable for the whole altered sum, if he have drawn without giving advice to the drawee.

The laws of Holland and Portugal hold the indorsements following the forged indorsement to be of no force.

#### *Lost Bills.*

The German law provides (Art. 73) that the owner of a lost bill of exchange may move the court at the place of payment to fix a time within which the lost bill shall be presented or be outlawed. When the court shall have fixed this time, the owner of the bill may demand payment from the acceptor, on giving him security. Without such security, the acceptor can be only compelled to deposit the sum due in court, or with some other authority empowered to receive deposits.

The French law provides, that, in case of the loss of a bill *not accepted*, the owner may sue for the payment on the second or third bill; and if the bill lost be *accepted*, the payment of it cannot be required on a second, etc., except by the order of the judge, and on giving security.

If he who has lost a bill of exchange, whether accepted or not, cannot present a second, third, etc. of the set, he may demand the payment of the bill lost, and obtain it by order of a judge, on proving his property therein by his books, and giving security. In case of refusal of payment, on a demand made in the two last-mentioned cases, the owner of the lost bill preserves all his rights by a regular protest, which must be made the next day after the bill lost became due. It must be notified to the drawer and indorsers, in the forms and within the time prescribed for the notice of protest.

THE  
LAW OF BILLS OF EXCHANGE AND PROMISSORY NOTES

IN  
THE UNITED STATES AND ENGLAND.

---

CHAPTER I.

ON THE ORIGIN AND NATURE OF BILLS OF EXCHANGE.

THE most important branch of the practice of a notary public is connected with bills of exchange and promissory notes. It is, therefore, highly desirable for him to be acquainted with the laws and regulations which govern this class of commercial instruments. We can here point out only the leading and fundamental principles of law which apply to them; but they will answer the wants of the ordinary purposes of business.

Without entering into any investigation regarding the origin of bills of exchange, which has been assigned, by different writers, to different countries and causes, we may say that it is now the most generally adopted opinion, that they originated in the twelfth or thirteenth century, in Italy, at the public fairs, which received a marked importance in commerce, through the Crusades. The money-changers transacted their principal business at the public fairs in the principal cities, and bills or orders for the payment of money at a distant place were at first drawn only from one fair to another, and were called *cambia regularia*. But when commerce increased, through the Hanseatic League, and extended to places where no public fairs were held, bills of exchange were also drawn upon such other places, and these bills were called *cambia irregularia*.

The oldest copy of a formal bill of exchange known at present, is one dated at Milan on the 9th of March, 1325, and runs in the original as follows: —

*“Pagate per questa prima litera [lettera] a dì IX. Ottobre a Luca de Goro Lib. XLV. Sono per la valuta qui da Masco Reno, al tempo il pagate e ponete a mio conto e R. che Christo vi guarde Bonromeo de Bonromei de Milano IX. de' Marzo, 1325.”*

“Pay for this first bill of exchange, on the 9th of October, to Luca de Goro XLV. Livres; they are for value received here from Masco Reno; at the time of maturity pay the same and pass it to my account,

and thanking you may Christ protect you, Bonromeo de Bonromei of Milan, the 9th of March, 1325."

In England reference was made, in the statute of 5 Rich. II. ch. 2, to the drawing of foreign bills, which was in the year 1381. The legal properties of bills in England are derived from the custom of merchants, but promissory notes are said to derive their properties from the act of Parliament of the 3d and 4th Anne, c. 9, which puts them on the same footing with inland bills.

In the United States, bills of exchange and promissory notes are recognized in law as negotiable instruments, with all the properties usually attached to them by the custom of merchants. The statute laws in many States especially provide for their negotiability; but in States where this is not the case, the same customary properties would be held to attach to them.

#### *Name and Definition.*

A bill of exchange, in common speech called a draft, is an open letter of request, addressed by one person to a second, desiring him to pay a sum of money to a third, or to any other to whom that third person shall order it to be paid; or it may be made payable to bearer. For instance:—

" *Boston, 1st January, 1852.*

" Exchange for £ 100.

" Sixty days after sight of this bill of exchange, pay to the order of George Green

One Hundred Pounds Sterling,  
value received, and place the same to account, as advised by  
CHARLES WHITE."

" To Mr. Jacob Brown, London."

#### *Parties.*

The person who writes the request is called the *drawer*, and he to whom it is addressed is called the *drawee*; and if he agrees or consents to pay the money signified in the bill, he is said to *accept* it, and is then called the *acceptor*. The third person, to whom the money is payable, is called the *payee*. In the above instance, Charles White is called the *drawer*, Jacob Brown the *drawee*, and after he has consented or accepted to pay it, the *acceptor*, and George Green is called the *payee*. If it is made payable to him or order, or to the order of him, as above, and he then assigns it to another person, to whom the money is to be paid, by writing his name on the back of the bill (which is called indorsing the bill, and the act itself an indorsement), he is then called an *indorser*. The person to whom he orders the money to be paid is called the *indorsee* or *holder*, and if this one again assigns the bill to another person, the latter is called the indorsee or holder, and the other the second indorser; and every other person, who successively puts his name on the back of the bill, is called an indorser, and the person to whom it is last delivered is called the holder.

If in the above-cited instance George Green should write on the back of the bill, "Pay to the order of William Baker," signing his name beneath, "George Green," the latter would be called an indorser, and William Baker would be called indorsee or holder; and if Baker, again, should sign his name under that of Green, and order the contents of the bill to be paid to somebody else, Baker would be called an indorser, and the person designated by him the indorsee or holder, and so on.

#### *Blank Indorsements.*

It is very common for parties to sign simply their names on the back of the bill, without designating to whom the contents shall be paid. This is called a "blank indorsement," and whosoever holds the bill may write above the signature that it is payable to his order. For instance, if George Green, the original payee in the above-specified bill, had simply written his name on the back of it, and had delivered it to William Baker, and Baker again had simply put his name on the back under that of Green, and had delivered the bill to one J. Brown, the latter would be the holder, and might write over the signature of Green, "Pay to the order of William Baker," and over the signature of Baker, "Pay to the order of J. Brown."

#### *Indorsement in full.*

Although these blank indorsements are very common, it would be desirable, and it is highly to be recommended, that each indorser should write in full, over his name, the place of his residence, the date, and the name of his indorsee, that is, the name of the person to whom he assigns the bill. Thus, in the above instance, if George Green resided in New York, he should write on the back, over his signature:—

"New York, January 3d, 1852.

"Pay to the order of William Baker.  
(Signed,)                      GEORGE GREEN."

And in a similar way the successive indorsers should do.

This way of indorsing has two advantages. In the first place, if the bill should be lost or stolen, with a blank indorsement on it, any person who finds or holds it might fill up the blank in his own name, and demand payment; whereas, if it were indorsed in full, the finder or holder would have to forge the name of the indorsee before he could get payment. In the second place, if the bill should be protested for non-acceptance or non-payment, the holder would know at once the places of residence of the different indorsers, and be able to give them due notice without delay.

#### *Forms.*

When bills of exchange are drawn on a place at a distance, and in a foreign country, it is customary to give a set of three bills of the same tenor, that they may be sent separately, by different mails, so that in case one should get lost, one of the others might reach the person concerned,

safely. One of the common forms of a bill of this kind would be substantially as follows:—

“ *Boston, July 1st, 1852.*

“ Exchange for £ 1000.

“ Sixty days after sight [or after date, or at sight, or on demand], pay this my *first* bill of exchange (second and third of the same tenor and date not paid) to the order of Mr. — One Thousand Pounds Sterling, value received, and place the same to my account, as advised by  
(Signed,) PAUL JONES.”

“ To Messrs. Green & Co., London.”

The second bill of the same set would be in every respect the same with the first, except that it would read, “ pay this my *second* bill of exchange, first and third, &c. not paid.”

And the third bill would run, “ Pay this my *third* bill of exchange, first and second, &c. not paid.”

### *Different Kinds.*

Bills of exchange are divided into *foreign* bills of exchange and *inland* bills of exchange, because the rights of proceeding and remedies thereon are not uniformly governed by the same rules and regulations. A bill of exchange is called a *foreign* bill, when it is drawn in one state or country upon a person residing in a foreign state or country, as, for instance, when drawn by a person in one of the United States of America upon a person resident in England, and payable by the latter. And it is called an *inland* bill (or a domestic bill), when both the drawer and drawee reside in the same State or country; for instance, when the bill is drawn in Boston upon a person residing in Salem, both places being in the State of Massachusetts.

The different States of the United States are considered as foreign to each other, so that a bill drawn in Massachusetts upon a person in New York is considered a foreign bill. (*Miller v. Hackley*, 5 Johns. R. 375; *The Phoenix Bank v. Hussey*, 12 Pick. R. 483; *Buckner v. Finley*, 2 Peters, R. 586.)

In like manner a bill drawn in England upon Scotland or Ireland is considered a foreign bill. (*Mahoney v. Ashlin*, 2 Barn. & Adolph. R. 478, 482.)

---

## CHAPTER II.

### REQUISITES OF BILLS OF EXCHANGE.

#### *The Form.*

A BILL is not confined to any set form of words, and it is not essential that the very language of the formulary which has been given above

should be used. It is only requisite that it be in writing, and contain an order or direction by one person to another person, to pay money to a third person, absolutely and at all events.

The writing may be in pencil, as well as in ink, nor is it necessary that the whole instrument be in writing; the general formulary is generally printed, but the signatures must be in writing. If a person should order another person to deliver a particular sum of money to A. B., or to be accountable or responsible for a particular sum of money to A. B., it would constitute a bill of exchange. So if the expression should be "Please to pay," or "I request you to pay or deliver," it would be a good bill, because these expressions are mere words of politeness, in the place of an absolute order. But if the language used necessarily or naturally imports a request, as a favor, and not as a matter of right, it would not be a good bill. So it has been held in England that a note addressed by A to B in these words: "Mr. Little, please to let the bearer have £ 7, and place it to my account, and you will much oblige your humble servant, J. Slackford," — was not a bill of exchange. (*Little v. Slackford*, 1 Mood. & M. 171.) However, where the language used is susceptible of two interpretations, the true rule seems to be, that the mere drawing of a bill is deemed to be the demand of a right, and not the asking of a favor, and to deem it a favor only when the language used repels, in an unequivocal manner, the notion that it is claimed as a right. (Story on Bills of Exchange, § 33.)

If the word "at," instead of "to," should be put before the name of the drawee, — e. g. "Two months after date pay to the order of J. J. £ 78, value received, T. S. At Messrs. John Morson, & Co.," — it might be held a bill of exchange (*Shuttleworth v. Stevens*, 1 Campb. 407), or a promissory note, at the election of the holder. So in a case where the instrument was as follows: "May 20, 1813. Two months after date pay to me or my order the sum of £ 30. W. S. Payable at No. 1, Wilmot Street, opposite the Lamb, Bethnal Green, London," — and was accepted by the person residing at that place, it was held to be a bill of exchange. (*Gray v. Wilmer*, 8 Taunt. 739.) The rule is, that, where an instrument is so framed as to admit of reasonable doubt whether it was intended for a bill or a note, the holder is at liberty to treat it either as a bill or as a note, as against the maker. So in the following case, where the instrument was in these words: —

"London, 5th August, 1826. Three months after date, I promise John Bury or order £ 44, value received.

"JOHN BURY."

"J. B. Gruthrot, 35 Montague Place, Bedford Square."

Gruthrot's name was written across it. The court held it to be a note, but at the same time laid down the above rule, as between the holder and the maker. (*Edis v. Bury*, 6 Barn. & Cr. 433.)

It does not seem necessary, that the whole of the bill be written on one and the same side of a paper, or on one and the same paper; it may be written in part on one paper, and in part on another separate and detached paper, provided the writing on each be done at one and the

same time, and both parts be intended to form one entire contract. (Story on Bills of Exchange, § 34, and note 1.) If there should be no room left for indorsements, a paper might be affixed to the original bill for this purpose, but it would require proof of the fact that this paper formed a part of the bill.

It often happens, that there are but two parties to a bill, which is the case when the drawer makes the bill payable to his own order, and when he then indorses it, the indorsee becomes in fact the payee. And if no drawee should be named, but the bill be made payable at a particular place, and the person living at that place should accept it, he would be held answerable as acceptor.

### *Negotiability.*

In order to make a bill negotiable, it must be made payable to the payee and to *his order* or *assigns*, or to *bearer*. The common form, as stated before, is "to the order of A. B.," or "to A. B. or order," or "to bearer." It would be advisable to adopt the form, "to A. B. or his order." If no expression be used, which gives to the payee the power of transfer, it is nevertheless a bill.

If the payee of a negotiable bill indorse it in blank, it is transferable by mere delivery, in the same manner as if it were payable to bearer.

If the name of the payee be left in blank, — e. g. "Pay to ——— or order," — any holder may insert his name, and then indorse it; the effect would be the same as if it were made payable to bearer.

So, also, if the name of the payee is fictitious, and the bill be indorsed in the name of this fictitious person, a holder who was ignorant of this fact when he took it may regard it as a bill payable to bearer, and may sue the drawer, and also the acceptor, if the latter knew that the name of the payee was fictitious.

### *Value Received.*

The words "value received" are generally inserted in a bill, but it is not necessary, for the law in cases of negotiable instruments of this kind presumes it.

### *Several Drawees.*

A bill addressed to "A, or in his absence to B," is valid, and will, if accepted by either, bind him. If a bill is intended to be accepted by two persons, it should be addressed to both; otherwise, although accepted by both, it will bind only the person to whom it is addressed as acceptor. If a bill is drawn upon A, B, and C, it may be accepted by A and B only, and it will bind them. (Story on Bills of Exchange, § 58.)

On the Continent of Europe it is not unfrequent to put, beside the name of the principal drawee, the name of another person, to whom application may be made for acceptance or payment, if the first-named drawee should be absent or refuse payment, which is generally done in this form: "In case of need, apply to Mr. — at —" (in French, "Au besoin, chez M. —, à —"; in German, "Im Nothfall bei

Herrn —, in —"). The holder of the bill is obliged to follow the direction, if the first drawee should be absent or refuse.

*The Words "Put it to Account."*

Although it is common to use the words, at the end of the bill, "and put it to my account," or "to your account," or "and put it to the account of A. B.," or "put it to account as per advice" or "as advised by," these words are not essential, but are used only as a matter of convenience. If the drawer should be indebted to the drawee, he would say, "and put it to my account"; if, on the other hand, the drawee should be indebted to the drawer, he would say, "and put it to your account"; and if the bill were drawn on account of a third person, he would say, "and put it to the account of A. B."

*Statement of Advice.*

If the bill concludes with the words "as per advice," then the drawee is not obliged to accept or pay, without receiving further directions or advice, and if he do so, he does it at his own peril. If the bill conclude with the words, "without advice," or "with or without advice," then the drawee may accept or pay without being further instructed by the drawer.

But the words may be altogether omitted, without impairing the validity of the bill.

*The Competency and Capacity of Parties.*

We may generally state, that all persons who are legally capable of entering into any other contract are capable of becoming parties to a bill, or in other words, all persons of full age and sound mind, both males and females, may draw, hold, indorse, and accept bills.

*Partners.*

In regard to partners, the signature of the firm must be put to the bill, either in case of indorsement, drawing, or accepting; and each partner has complete authority to use it; and when so used, the bill is deemed to be on partnership account, unless it appear on the face of the bill, or it can be proved that the party taking it had full knowledge that the bill was drawn, indorsed, or accepted, not for partnership, but individual purposes.

*Agents.*

Agents, if empowered for the purpose, either expressly or tacitly, may bind their principals to the full extent that their principals might do for themselves, provided that they do not exceed the scope of their authority. But if agents would bind their principals, they must draw, indorse, or accept the bills in the name of their principals, and not in their own name. The most proper way of doing this, is in the following form, supposing A. Green to be the principal, and B. White, the agent:—

"A. Green,  
by B. White, his Agent."



A number of other forms may be used ; care should be taken, however, by the agent, if he means to exempt himself from personal responsibility, to use clear and explicit words to show that intention, and to express on the contract the quality in which he acts ; otherwise he does not bind the party who employs him, but binds himself. A great many lawsuits have arisen in consequence of an indistinct and loose way of stating the quality in which a person signs a bill, and different decisions in different States have been the consequence.

The following forms, used by agents, have been adjudged as binding the principal in cases of negotiable paper : —

A note made in these words : " I promise to pay," etc., and signed, " Pro Wm. Gill, J. S. Colburn." Gill was held liable as principal, and not Colburn, the agent. *Long v. Colburn*, 11 Mass. 97.

" I, the subscriber, Treasurer of the Dorchester Turnpike Corporation, promise," etc. Signed, " Gardner L. Chandler, Treasurer of the Dorchester Turnpike Corporation." The corporation was held liable. *Mann v. Chandler*, 9 Mass. R. 335.

A bill drawn on Darling, " Agent of the Commission Company," and accepted thus : " Accepted, Noyes Darling, Agent C. C." The company was held liable, and not the agent. *Shelton v. Darling*, 2 Conn. R. 435.

It is understood in all these cases that the agent has sufficient authority from his principal to draw or accept bills, or make notes. If the agent, however, has no authority, then the agent himself is liable on the instrument. See *Ballou v. Talbot*, 16 Mass. 461 ; *Rossiter v. Rossiter*, 8 Wend. 494.

#### *Payment in Money.*

A bill of exchange must be for the payment of *money*, but it matters not what denomination the money specified has, whether it is called dollars, francs, pounds sterling, Marc Banco, or any other currency, because the value of each kind can be ascertained.

In England negotiable paper must be for the payment of money in specie, and not in bank-notes, and it may be said that the same rule obtains generally in the United States of America, although there are some cases in some States which have extended this rule. (*Kent's Comm. Lect. 44*, pp. 45 and 46.)

Hence an order to pay money " in good East India bonds," or to pay " in cash or Bank of England notes," or " in foreign bills," or " in goods," is not a negotiable bill.

In New York it has been held that a note payable " in York State bills or specie," was a negotiable paper. (*Keith v. Jones*, 9 Johns. R. 120.) So also a note " payable in bank-notes current in the city of New York " ; and the court remarked, that it would have been a note under the statute if payable in bank-notes generally. (*Judah v. Harris*, 19 Johns. R. 144.)

But a note payable " in Pennsylvania paper currency, or New York, to be current in the State of Pennsylvania or the State of New York," was held in New York not to be a note for the payment of money, within

the statute, because the court say that they may take notice, officially, of their own bank paper being regarded as cash, but not of the value of the paper currency of other States. *Leiber v. Goodrich*, 5 Cowen, 136.

A note made payable in New York in Canada money, is not a negotiable promissory note within the statute. *Thompson v. Sloan*, 23 Wendell, 71.

In Pennsylvania it was held that a note payable to A. B. or order "in bank-notes of the chartered banks of Pennsylvania," was not a negotiable note. *M'Cormick v. Trotter*, 10 Serg. & Rawle, 94.

In New York it was held that a check, drawn in that State, upon a bank in Mississippi, payable in current notes, is not negotiable. *Little v. The Phoenix Bank*, 7 Hill's R. 359.

A note payable to the bearer *in goods* is not negotiable. *Clark v. King*, 2 Mass. 524. Nor a note payable in "foreign bills." *Jones v. Fales*, 4 Mass. 245.

It is not necessary that the sum payable should be expressed in words; it is sufficient, if it be in figures. But it is necessary that the order be for a specific amount.

A bill or note for a given sum, "and for whatever else may be due to the payee," is not, even between the original parties, a bill or note. (Bayley on Bills, p. 12.)

So an order for \$ 1,000, "or what might be due after deducting all advances and expenses," is not negotiable. *Cushman v. Haynes*, 20 Pick. 132.

*Payable absolutely.*

A bill must also be payable absolutely and at all events, and the payment must not be made to depend on any uncertainty or contingency, or it will not be considered a bill of exchange.

Thus a bill drawn payable "provided the terms mentioned in certain letters shall be complied with"; or "out of rents"; or "on the sale of produce when sold"; or "when the drawer shall come of age"; or "at thirty days after the ship A. shall arrive at B."; or "when the drawer shall marry"; or "when freight becomes due"; or "if the money be not paid at a certain day by a third party"; or "provided a certain act is done or not done"; or "on the balance of account between the parties"; or "provided, at the maturity of the bill, I am living"; or "when certain carriages are sold by payee"; — in all these and similar cases the instrument is not considered a bill of exchange. (Bayley on Bills, pp. 14–17, and Story on Bills, § 46.)

But where payment only seemingly depends upon a contingency, but in reality is certain and at all events, although the particular time when it will arrive is uncertain, it will be a good bill of exchange in law; e. g. a bill payable at the death of the drawer or of another person, or at a fixed time afterwards.

A note payable "provided the ship Mary arrives," etc. "free from capture and condemnation," is not negotiable. *Coolidge v. Ruggles*, 15 Mass. 387.

## CHAPTER III.

## PRESENTMENT OF BILLS FOR ACCEPTANCE.

*Contract of the Holder.*

THE person who receives a bill or note thereby contracts with every other party to the bill or note who would be entitled to bring an action on paying it, to present it in proper time to the drawee for acceptance when acceptance is necessary, and to the acceptor for payment when the bill shall have arrived at its maturity and be payable; to allow no extra time for payment to the acceptor; and to give notice in a reasonable time, and without delay, to every such person, of a failure in procuring a proper acceptance or payment. Any default or neglect in any of these respects will discharge every such person from responsibility on account of a non-acceptance or non-payment; and will make it operate generally as a satisfaction of any debt, demand, or value for which it was given. (Greenleaf on Evidence, Vol. II. § 175; Wallace v. McConnell, 13 Peters's R. 136; Story on Bills, § 227.)

*When Necessary.*

If a bill is payable at sight, or in so many days after sight or after demand, or upon any other contingency, or after a certain event, a presentment of the bill to the drawee for acceptance must be made, in order to fix the period of payment. But if the bill is payable *on demand*, or payable at a certain number of days after date, or after any other certain event, it need not be presented merely for acceptance, but only for payment; but if it be presented for acceptance, and acceptance be refused, the holder must give notice of the dishonor, in the same manner as if the bill were payable at sight or after sight. (Story on Bills, § 112, 227, 228.) It is, however, usual and advisable to present a bill drawn payable a certain number of days after date, for acceptance.

*By whom to be presented.*

The presentment for acceptance must be made by the holder or his agent. If the bill is presented by one not authorized to hold the bill, the drawee may not be bound to accept it; but if he does accept it, it is available to the holder.

A presentment by any person in possession of a bill or note *bonâ fide* is sufficient, and no letter of attorney or other writing from the proprietor of the bill or note is necessary to give an authority to another person to make a presentment. (Freeman v. Boynton, 7 Mass. R. 483; Bank of Utica v. Smith, 18 Johns. R. 230.)

And a person's having a bill or note in his possession on the day and at the place of payment is presumptive evidence of authority to demand payment. (Agnew v. Bank of Gettysburg, 2 Har. & Gill, 478.)

*To whom to be presented.*

The bill must be presented to the drawee, or his authorized agent. If it is drawn on partners, a presentment to one of them is sufficient; but if drawn on several persons not partners, it has been said that it should be presented to each; and if one of the drawees should refuse to accept, the holder would not be bound to take the acceptance of the others alone. (Story on Bills, § 229.)

The death, bankruptcy, insolvency, or absconding of the drawee will not absolve or excuse the holder from presenting the bill. If he is dead, it should be presented to his personal representatives, his executor or administrator, if any there be, and if not, at his last domicile; and if he has absconded, it should be presented at his last domicile or place of business. (Chitty and Hulme on Bills, pp. 279, 280; Groton v. Dalheim, 6 Greenl. 476.) If the holder, upon presentment, should ascertain that the drawee is a married woman, or a person under age or otherwise incapable of contracting, he is not bound to take their acceptance, but may treat the bill as dishonored. (Chitty on Bills, ch. 7, p. 310.)

*Time of Presentment.*

As regards the time within which a bill ought to be presented for acceptance, no definite rule can be laid down, and the law says only, that it must be presented within a reasonable time; but what this reasonable time is, depends upon the peculiar circumstances of each case. If the holder keeps a bill, payable at sight, or payable a certain number of days after sight, in his own possession for an unreasonable time, he makes the bill his own, and loses his right of claim upon the drawer and indorsers. But if the bill (whether it be foreign or domestic) is kept in circulation, and not held by any one holder an unreasonable time, no particular time can be assigned in which it ought to be presented.

It is not necessary to send a bill, payable after sight, by the most direct route to the place where it is payable, when it is the common course of trade to send such bills by an indirect route. Thus, where a bill of exchange was drawn in Havana upon London, payable at sixty days after sight, it was held that the holder need not send it directly to London, but might send it to the United States for sale, such being the common course of trade. (Wallace v. Agry, 4 Mason, 336.) So, where a bill was drawn at New Orleans on Liverpool, it was held, that it might be sent to New York first for sale, that being the usual course of business. (Bolton v. Harrod, 9 Martin, 326.)

But if the holder of a foreign bill carry it to the place where it is payable, he ought to present it for acceptance without delay. (Fernandez v. Lewis, 1 McCord, 322.)

But if a bill, payable after sight, is negotiated, and thus sent to different places before it is presented for acceptance, the courts have held this delay allowable. (Goupy v. Harden, 7 Taunt. 159; Gowan v. Jackson, 20 Johns. R. 176.)

A presentment for acceptance or a demand of payment must also be

made at a *proper time*. No drawee is required to accept a bill on any day which is set apart, by laws or observances or usages of the country or place, for religious or other purposes, and which is not deemed a day for the transaction of secular business, such as Sunday, Fast or Thanksgiving day, the Fourth of July, or any other general holiday. Out of New England, Christmas and New Year's day are also generally regarded as holidays. The statutes of several States point out the days, which may be found under the statute laws appended.

And in all cases the presentment must be made at a *reasonable hour* of the day. If made at the place of business, it must be made within the usual business hours, or, at farthest, while some person is there who has authority to receive and answer the presentment. If made at the dwelling-house of the drawee, it may be made at any seasonable hour, while the family is up. (Chitty and Hulme on Bills, p. 454, 9th ed.; Story on Bills, § 236.)

#### *Place of Presentment.*

As to the *proper place* where presentment for acceptance should be made, the general rule is, that it is the town or municipality of the domicile of the drawee, without any regard to its being drawn payable generally, or payable at a particular specified place. (Chitty and Hulme on Bills, pp. 365, 666, 9th ed.; Story on Bills, § 235.) If the drawee dwells in one place, and has his place of business in another, whether it be in the same town or in another town, the bill may be presented for acceptance at either place, at the option of the holder. If the bill is addressed to the drawee at a place where he never lived, or if he has removed to another place, the presentment should be at the place of his actual domicile, if by diligent inquiries it can be ascertained; and if it cannot be ascertained, or if the drawee has absconded, the bill may be treated as dishonored. (Chitty and Hulme on Bills, pp. 654, 655, 9th ed.)

It has been held, that if the drawee or maker of a note has moved out of the State of his former residence, either into a foreign country, or into another State, a presentment to him is not necessary. (*Magruder v. Bank of Washington*, 9 Wheat. R. 598; Bayley on Bills, pp. 198, 199.) If, however, an absent drawee has a known agent in the same place, the bill should be presented to the agent. (Story on Bills, § 235.) Or if he have still a place of business there, it should be presented there. But if he have neither, then it should be presented at his last place of abode, if it can be ascertained, and the bill is to be considered as dishonored.

In the case of the drawee's bankruptcy, it is not necessary to present a bill for acceptance to the assignees of his estate, because accepting bills forms no part of their duty.

## CHAPTER IV.

## ACCEPTANCE OF BILLS.

WHEN a bill is presented for acceptance, the drawee is entitled, if he desire it, to have at least twenty-four hours to consider whether he will accept the bill or not; and it is usual in such cases for the holder to leave the bill with him for that time. (Story on Bills, § 237.)

It is said by Bayley, Chap. VII. sect. 1, p. 218, "Upon a presentment for acceptance, the bill should be left with the drawee twenty-four hours, unless in the interim he either accept or declare a resolution not to accept." The English custom is, to leave the bill on one day, and to call for an answer on the next, without the holder being required to wait to the full end of twenty-four hours, for the holder is entitled to a decisive answer within that time. The French law, as we have seen, allows the drawee full twenty-four hours for consideration, and the German law requires an immediate answer.

*Law of New York.*

In New York it has been provided by statute, that, if the drawee refuses to return the bill, within twenty-four hours, to the holder, he shall and may be deemed to have accepted the bill. This same law has been adopted in Missouri, and it is highly desirable that the New York rule should be universally adopted. In States where no special law exists, and no custom has been established, the retaining of the bill by the drawee for a length of time, against the remonstrance of the holder, and the latter informing the drawee that he should consider the bill as accepted, unless he returned the bill, might perhaps be considered as an acceptance. But the mere detention of the bill would not amount to an acceptance.

If the drawee be a person little known, or if the holder do not feel assured that the bill will be safe with the drawee, it is not the usage in England to leave it, but the holder may leave a copy merely, because the leaving of the bill, in any case, may be looked upon merely as a matter of courtesy.

We shall refer to this subject farther below, when we come to speak of the different kinds of acceptance.

*Nature of an Acceptance.*

An acceptance is an agreement or engagement to comply with the order or request contained in the bill, or an engagement to pay the bill, according to the tenor of the acceptance, when due. When the drawee engages to pay the bill according to its tenor, it is called a *general* acceptance. But when the drawee agrees to pay the bill, with some qualification, limitation, or condition different from what is expressed on the face of the bill, or from what the law implies upon a general acceptance, it is called a *conditional* or *qualified* acceptance.

The act of accepting is generally done by the drawee writing across the face of the bill, "Accepted the —" (date), and signing his name to it. The signing of the name must be done, either by the drawee himself, or by his authorized agent. But an acceptance, where it is not otherwise qualified or restrained by the local or statute law, may be either *verbal* or in *writing*, and may be either by express words or by reasonable implication. (Story on Bills, §§ 242, 243.)

*The Law of England.*

By the English law, the acceptance of a *foreign* bill may be verbal or in writing; but that of an inland bill must be in writing on the bill itself. The holder of a foreign bill may, however, refuse to take any acceptance except an absolute and unconditional one, in writing, upon the bill, and if this be refused, he may consider it dishonored. A *foreign* bill *already drawn* may be accepted also by a letter or collateral writing, or verbally, at any time even after the bill has been dishonored on non-acceptance. (See *Mahoney v. Ashlin et al.*, 2 Barn. & Adol. 478; *Bayley on Bills*, pp. 172–174; *Rees v. Warwick*, 2 Barn. & Ald. 113; *Billing v. Devaux*, 3 Man. & Grang. 565.) In this last case, the drawee of a foreign bill was held bound by a promise to accept in a letter to the drawer, which was written in ignorance of his death, and after it had become due and had been refused payment and protested for non-payment. The death of the drawer took place after the bill had become due, and before the date of the letter.

And a third person may avail himself of a parol acceptance, though he was not aware of it when he received the bill. (*Fairlee v. Herring*, 3 Bing. 629.) A promise to accept a bill already drawn, in a letter written by the drawees to a third person, not a party to the bill, amounts to an acceptance, and inures to the benefit of the drawers, and cannot be cancelled by such third person. (*Grant v. Hunt*, 1 Manning, Gr. & Scott, C. P. 45.)

*Promise to accept a Non-existing Bill.*

It was formerly an unsettled point in England, whether a promise to accept a non-existing bill, to be drawn at a future day, is a good acceptance. According to the modern doctrine, such a promise to accept a foreign bill, to be afterwards drawn, is no acceptance of the bill when drawn, and under no circumstances would such a promise be held to be an acceptance. (*Bank of Ireland v. Archer et al.*, 11 Mees. & Wels. 383; *Bayley on Bills*, p. 166.) But the person promising to accept bills to be drawn, if he refuse to accept them when drawn, is liable in damages for a breach of contract to the party to whom the promise is made. (*Laing v. Barclay*, 1 Barn. & Cress. 398.)

*Detention or Loss of the Bill by the Drawee.*

The modern doctrine in England appears to be, that the mere detention of a bill by the drawee, for an unreasonable time, will not amount to an implied or constructive acceptance (*Mason v. Barf*, 2 Barn. & Ald. 26), but he is liable for any damages arising from such detention.

The drawee is also responsible for the loss of a bill left with him for acceptance (*Morrison v. Buchanan*, 6 Car. & Payne, 22); and the destruction of the bill by the drawee would render him liable for the full amount (*Jeune v. Ward*, 1 Barn. & Ald. 653); and so the intentional altering or defacing of it would render him liable for all damages resulting from it. The holder must not consent to the drawee's altering the bill, or he will discharge the drawers and indorsers.

*American Doctrine.—New York.*

The statute law of New York provides that no person within that State shall be charged as an acceptor on a bill of exchange, unless his acceptance shall be in writing, signed by himself or his lawful agent.

And if such acceptance be written on a paper other than the bill, it shall not bind the acceptor, except in favor of a person to whom such acceptance shall have been shown, and who, on the faith thereof, shall have received the bill for a valuable consideration. An unconditional promise, in writing, to accept a bill before it is drawn, shall be deemed an actual acceptance in favor of every person who, upon the faith thereof, shall have received the bill for a valuable consideration.

Every holder of a bill, presenting the same for acceptance, may require that the acceptance be written on the bill. A refusal to comply with such request shall be deemed a refusal to accept, and the bill may be protested for non-acceptance.

Any person to whom a promise to accept a bill may have been made, and who, on the faith of such promise, shall have drawn or negotiated the bill, shall have the right to recover damages of the party making such promise, on his refusal to accept such bill.

Every person upon whom a bill of exchange is drawn, and to whom the same is delivered for acceptance, who shall destroy such bill, or refuse within twenty-four hours after such delivery, or within such other period as the holder may allow, to return the bill, accepted or non-accepted, to the holder, shall be deemed to have accepted the same.

Under the New York statute it has been decided, that, if an acceptance of a bill be on any other paper than the bill itself, it will not be binding, unless the fact of such acceptance shall have come to the knowledge of the person taking the bill, and he pay a valuable consideration for it; but the statute is complied with whether such knowledge came from the actual inspection of the acceptance, or from written or oral information. *Bank of Michigan v. Ely*, 17 Wendell, 508.

And it has been decided in Massachusetts, where A. drew a bill on B. in New York, and procured it to be discounted at a bank, and B. afterwards wrote a letter to A. accepting the bill, and A. exhibited the letter to the officers of the bank, that the bank could not maintain an action against B. on his acceptance, under the New York statute. *Worcester Bank v. Wells*, 8 Met. 107.

The drawee of a bill of exchange will charge himself as acceptor, by simply writing his name across the face of it, that being held to be an acceptance in writing, signed by the party, within the meaning of the statute. *Spear v. Pratt*, 2 Hill, 582.



The acceptance of an order for the payment of money must be in writing. *Quinn v. Hanford*, 1 Hill, 82.

It is not necessary to present a bill for acceptance before it becomes due, though it is advisable to do so in all cases, in order that the holder may obtain thereby the additional security of the drawee upon the bill itself. *Montgomery County Bank v. Bank of Albany*, 8 Bar. 397.

A promise to accept a bill need not contain a particular description of the bill to be drawn. *Ulster County Bank v. M'Farlan*, 5 Hill, 434.

Where the drawee of a bill of exchange, who resides in New York, writes a letter thence to the drawer, residing in Massachusetts, accepting the bill, which was drawn in Massachusetts, the contract of acceptance is made in New York, and is governed by the law of that State; and the bill must be presented there to the acceptor for payment. *Worcester Bank v. Wells*, 8 Met. 107.

### *The General American Doctrine.*

The general rule in America in regard to the acceptance of bills of exchange, both inland and foreign, is, that it may be by parol or in writing. Though a bill comes into the hands of a person with a parol acceptance, and he takes it in ignorance of such an acceptance, he may avail himself of it afterwards. (Kent's Com. III. p. 83.) If the drawee say to the holder or his agent, "Leave the bill, and I will accept it"; or, "Send the bill to my counting-house, and I will give directions for its being accepted," if the bill be sent; or "Leave your bill and call for it to-morrow, and I will accept it," or "it shall be accepted," — this will amount to an acceptance. (Story on Bills, § 246.) But if the import of the language be dubious, e. g. "Your bill shall have attention," this will not be an acceptance.

Although the proper and usual mode of accepting a bill is by expressing it in direct words on the face of the bill, with date and the signature of the name of the drawee, still it is not absolutely necessary that his name should appear; and any words written by him upon the bill, not putting a direct negative upon its request, as "accepted," "presented," "seen," the day of the month, or a direction to a third person to pay it, or his own signature in blank, is *primâ facie* a complete acceptance. (Bayley on Bills, Chap. VI. sect. 1. p. 163.)

The holder has a right to demand that the acceptance be put on the bill itself, and according to the full tenor of the bill, or he may treat it as dishonored. However, acceptances of bills already drawn may be made by a letter or collateral writing, at any time, even after the bill has been dishonored, and such an acceptance will inure to the benefit of the holder, although he did not know of the letter. Thus, a writing containing the promise in regard to an existing bill, that it shall meet with due honor, or that the drawee will accept or certainly pay it, will amount to an acceptance. But if the language be dubious, e. g. "Your bill shall have attention," it will not amount to an acceptance. (Story on Bills, § 244.)

*Acceptance of a Non-existing Bill.*

The doctrine is established in the United States, as to an acceptance of a non-existing bill, that a letter written within a reasonable time before the drawing of a bill, describing it and promising to accept it, is an acceptance in favor of the person to whom such promise was communicated and who took the bill on the credit of it. (*Coolidge v. Payson*, 2 Wheat. R. 66.) So if a person, in writing, authorizes another to draw a bill of exchange, and promises to honor the bill, and the bill be afterwards drawn, and taken by a third party on the credit of that letter, it amounts to an acceptance of the bill. (*Goodrich v. Gordon*, 15 Johns. R. 6.) But the rule is applicable only to cases of bills payable on demand, or at a fixed time after date, and not to bills payable at or after sight. (*Story on Bills*, § 249.)

A parol promise to accept a bill already drawn, or thereafter to be drawn, is binding, if the bill be purchased in consideration of the promise. Thus, where A verbally promised B that A & Co. would honor, accept, or pay bills drawn by C to a certain amount, and B within a reasonable time, upon the credit of this promise, purchased two bills drawn by C on A & Co. to the specified amount, it was held that A was liable to B on this promise, to the amount of the bills, they having been dishonored. (*Townsley v. Sumrall*, 2 Pet. Sup. Ct. R. 120.) But it does not follow from this, that a parol promise to accept a non-existing bill would amount to an acceptance of the bill.

*Erasure of the Acceptance.*

Although the drawee writes his name on the bill, yet if, before he has parted with the bill, or communicated the fact, he changes his mind, and erases the acceptance, he is not bound. (*Kent's Com.* III. p. 85.)

The law in regard to the loss or destruction or defacing of bills, in the hands of the drawee, is the same, as we stated before, as the English law.

*Form of Acceptance in particular Cases.*

Where the bill is drawn on a partnership, it should be accepted in the partnership name, by any one of the partners. When it is drawn on two or more persons, who are not partners, all of them should sign the acceptance; for an acceptance by one will not bind the others; and the holder is entitled to the acceptance of all. An agent must accept in the name of his principal. Where a bill is drawn in sets, the drawee should not accept more than one part of the set, or he might become responsible to different holders upon each of the accepted parts. (*Story on Bills*, § 251.)

*Qualified and Conditional Acceptance.*

If the bill be accepted in a qualified degree only, and not absolutely, according to the tenor of it, the holder may assent to it, and it will be a good acceptance to that extent; or he may insist upon an absolute acceptance, and for the want of it protest the bill. A conditional acceptance is, for instance, when the drawee accepts a bill "to pay when goods

conveyed to him are sold," or "when in cash for the cargo of the ship A.," or "to accept when a navy bill is paid." The acceptance is *qualified* when the drawee absolutely accepts the bill, but makes it payable at a different time or place, or for a different firm, or in a different mode, from the one expressed in the bill.

If the holder take a conditional or qualified acceptance, he does it at his own peril and risk, and he must give notice thereof to the antecedent parties, and if he does not, they will not be bound by it, but be absolved from all responsibility upon the bill; and it should seem that a protest of the bill for the non-acceptance according to the tenor of the bill, is necessary, and that a mere notice without such protest is not sufficient, unless after notice such parties consented to the conditional or qualified acceptance. (Story on Bills, § 240.)

The holder meaning to assent to a conditional offer of acceptance, must do so at the time of the offer; for if he declines it then, it will be a waiver of all right to hold the drawee. If he assents to it, the acceptor will, if the condition be complied with, be bound by it. Any conditions annexed to an acceptance should appear upon the face of the acceptance, if in writing, because any subsequent holder for value, without notice, would not be bound by any verbal conditions.

#### *Acceptance supra Protest.*

When a bill has been protested for non-acceptance or non-payment by the drawee, a third person may intervene, and become a party to the bill, by accepting and paying the bill for the honor of the drawer, or of a particular indorser. This acceptance is termed an *acceptance supra protest*, and such an acceptor becomes liable to the same obligations as if the bill had been directed to him. He has his remedy against the person for whose honor he accepted, and against all the parties who stand before that person. If he takes up the bill for the honor of the indorser, he is like an indorsee, and has the same remedies to which an indorsee would be entitled against all prior parties, and can sue the drawer and indorsers.

Such an acceptance is allowable only after the drawee has refused acceptance or payment, and the bill has been protested, and the acceptor must, at the same time, specify for whose honor he accepts, as his rights, if he pay the bill, against the antecedent parties are essentially changed. If he accepts for the drawer only, he will, ordinarily, have no rights of recourse against the indorsers. It is also to be observed, that if the bill, on its face, directs a resort to a third person, in case of refusal by the drawee, (which is expressed at the foot of the bill, by using the words, "In case of need, apply to —,") such direction becomes a part of the contract, and the holder must apply first to such third person. Although, when the drawee has accepted a bill, no other person can intervene and accept, yet in cases of an acceptance *supra protest*, or for honor, there may be several acceptances for the honor of different parties. Thus, for example, one person may accept the bill *supra protest*, for the honor of the drawer, another for the honor of the first indorser, and so on. It may be also done by the drawee himself, either in favor of the drawer or of an indorser of the bill.

*The Mode of accepting a Bill supra Protest, and the Form of an Act of Honor.*

When any person intends to accept a bill *supra protest*, an act of honor, or an act for honor, as it is sometimes called, must be prepared by a notary, which is a notarial certificate, under the hand and seal of the notary, declaring that the bill, of which a copy is prefixed, having been protested for non-acceptance, a third person (or the drawee, as the case may be) would accept the bill, either for the whole or a part of the amount, for the honor or on account of any party to it; and it commonly concludes with some general declaration, to the effect, that such party (and other proper persons) are held responsible for the amount, and for all costs, damages, interest, etc. It is not necessary to have any attesting witness to it. The act of honor must be truly dated, on the day on which the bill was exhibited and the acceptor for honor undertook to accept it; it is, in fact, a notarial certificate, explaining the nature and objects of the acceptance *supra protest*. A copy is preserved of the act of honor, and of the bill, in the protest book, or book of registry of the notary.

The protest should be kept by the holder of the bill, as it is for his security, but the act of honor, or a duplicate, should be kept by the acceptor *supra protest*, who also pays the expense of the act of honor, and if he accept for the whole amount, he also pays or reimburses the expense of the protest.

After the act of honor has been prepared, or at the same time with it, the acceptor, or some person authorized by him, writes upon the bill an acceptance, which may be and generally is as follows:—"Accepted *supra protest* for the honor of the drawer [or the indorser]. 1st March, 1853. A. B."

Or if for part:—"Accepted *supra protest* for — dollars, being part of the amount of this bill for the honor of —. 1st March, 1853."

If it happens that the drawee has not sufficient funds of the drawer on hand to pay the full amount of the bill, and he is willing to accept for a part of the amount only, the proper and regular course is to cause the bill to be absolutely protested, and to state in the protest that the drawee had refused to accept it *according to the tenor of the bill*; and then to have an act of honor prepared, certifying that the drawee would accept the bill *supra protest* for part of the amount, for the honor of the drawer; and then for the drawee to make an acceptance *supra protest* for such part on the bill.

This mode is the safest for the holder, to avoid any question in regard to the discharge of prior parties. (See R. Brooke's Treatise on the Office of a Notary of England, pp. 114–119.)

*Duty of the Holder.*

The holder must give due notice of the dishonor of the bill to the other parties to the bill, as in ordinary cases of dishonor.

*Effect of a General Acceptance supra Protest.*

In Chitty on Bills, Ch. VIII. § 3, it is said: "A general acceptance *supra protest* is considered as made for the honor of the drawer, unless otherwise expressed. Such acceptance, however, may be so worded, that, though it be intended for the honor of the drawer, yet it may equally bind the indorser; but in this case, notice of such acceptance must be sent to the latter. If there be several offers of acceptance for honor, that which is most extensive should, it is said, be preferred. The holder, as well as the acceptor *supra protest*, should always take care to have the bill protested for non-acceptance before the acceptance for honor is made."

*Obligations of an Acceptor supra Protest.*

The obligations of an acceptor for honor are conditional, namely, that he will pay the bill, if duly presented to the original drawee for payment, and due protest is made thereof, and due notice is given to him of the dishonor. If these acts are not strictly done, the acceptor for honor is discharged. (Story on Bills, § 261.)

*Duty of the Holder.*

The holder of a bill is not obliged to take an acceptance *supra protest*, but he would be bound to accept an offer to pay *supra protest*. But if he does take it, he must strictly conform with the rules of law, as above stated; but having given due notice to the other parties to the bill, he retains his rights against them.

*The Drawee may accept for Honor.*

The drawee, too, as well as any other person, may accept for honor. Thus, if a bill be drawn by A on account of B, he may accept for the honor of A, and on his account. So the drawee may accept for the honor of an indorser, and on payment of the bill he can sue the indorser or any of the prior parties.

*Protest for better Security.*

If it happens that, after acceptance, and before the maturity of the bill, the acceptor absconds, or becomes a bankrupt, or insolvent, the holder may protest the bill, at his pleasure, but he is not bound to do so; for if he neglects to make this protest, it will not affect his remedies against the prior parties, either drawers or indorsers. This protest is called a *protest for better security*. Its principal use seems to be, that by giving notice to the drawers and indorsers of the situation of the acceptor, by which it is become improbable that payment will be made, they are enabled by other means to provide for the payment of the bill when due, and thereby prevent the loss of reëchange, etc., occasioned by the return of the bill. But though the drawer or indorsers refuse to give better security, the holder must, nevertheless, wait till the bill be due before he can sue either of those parties. (Chitty on Bills, Ch. VIII. § 3, pp. 375, 397, 8th edit.)

This course is principally pursued with respect to foreign bills from the Continent of Europe, as the advantage of it is, that, by the laws of various countries, the holders may, after such a protest, attach the property of, or sue, the parties to them. (See the foreign law, before stated.) As respects legal proceedings in this country, it is not considered incumbent on the holder to make this protest; nor will his neglecting to do so injure his remedy against the drawer or indorsers.

If the holder should take a protest for better security, and the security should not be given, another protest must be made for non-payment, at the time of maturity of the bill, and due notice must be given, in order to hold the prior parties.

*Forgery of the Signature of the Drawer and other Parties.*

It must yet be mentioned, that the acceptance, whether general or for honor, or *supra protest*, after sight of the bill, admits the genuineness of the signature of the drawer, and consequently, if the signature of the drawer should be a forgery, the acceptance will, nevertheless, be binding as to a *bonâ fide* holder for value, without notice, and entitle such holder to recover. (Canal Bank v. Bank of Albany, 1 Hill, N. Y. R. 287.) But there is no such implied admission, on the part of the acceptor, of the genuineness of the signature of the payee, or of any other indorser; and consequently the holder, in order to recover against the acceptor upon the bill, must establish, by proofs, the genuineness of their signatures, in order to make title thereto, although he need not prove the genuineness of that of the drawer. In like manner, an acceptance admits the ability of the party to draw, and if drawn by an agent in the name of his principal, it also admits that he has full authority to draw the bill. But it does not admit the authority of the agent to indorse the same bill, even though it is made payable to the order of his principal, and is indorsed by the same agent in the name of the principal. Story on Bills, § 262.

The drawee is bound to know the drawer's signature, and if he accepts a forged bill, he is bound to pay it; and if he has paid it to a *bonâ fide* holder, he cannot recover the money back. Goddard v. Merchants' Bank, 4 Comstock, 147; Bank of Commerce v. Union Bank, 3 Comstock, 234.

This rule is applicable to third persons who intervene for the honor of the supposed drawers, and pay a forged bill, if they have seen the bill before parting with their money. A forged bill, purporting to have been drawn by the Canal Bank at Cleveland, was presented to the drawees in New York on Saturday, and payment refused for want of funds. On Monday after, the plaintiff called at the notary's office and desired to see the bill, but did not see it. He left a check for the amount of the bill, and requested that the bill should be *immediately* sent to his residence. The check was given by the clerk to the notary, who on the same day delivered it to the holder of the bill, but did not send the bill to the plaintiff. On Tuesday the plaintiff called again, and, upon inspecting the bill, at once pronounced it a forgery; under these circumstances, it was *held* that the plaintiff was not chargeable with negligence, and that the holder

was bound to refund the money thus paid under mistake. *Goddard v Merchants' Bank*, 4 Comstock, 147.

But the rule, that, if the drawee pay a bill to which the drawer's signature is forged, the drawee cannot recover it back, does not apply when the forgery is not in counterfeiting the signature of the drawer, but in altering the *body of the bill*, as if a bill for \$105, payable to J. D., be fraudulently altered to a bill for \$1,005, payable to J. B., and with this name indorsed; in this case the drawees are entitled to recover back the money, provided they are not guilty of any negligence in not detecting the forgery before paying the bill. *Bank of Commerce v. Union Bank*, 3 Comstock, 230.

But it is stated by Bayley, p. 325, that whoever pays a bill should be satisfied it is in all its parts genuine; if it be not, he will pay it at his peril, and will lose his remedy against the party on whose account he pays it. (*Hall v. Fuller*, 5 Barn. & Cr. 750.) Thus, if a banker pay a check which has the genuine signature of his customer, he will not be entitled to charge it against his customer, if the amount has been altered by forgery since the customer issued it. (*Ibid.*) But if the bill be drawn in a careless and informal mode, and that mode facilitates, and perhaps suggests, the commission of the forgery, the customer, not the banker, shall bear the loss; as if, in the first word for the amount, a small letter be used instead of a capital one, and space be left for prefixing a word; and, where the amount is specified in figures, if space be left where a previous figure may be introduced. *Young v. Grote*, 4 Bingh. 253.

Where the first of a set of exchange is lost by the payee, and the payee's name forged upon it, payment by the drawee to a stranger will be no defence to an action on the second of the set, by the payee against the drawer, the proper steps having been taken to charge him upon it. *Depan v. Browne*, Harper's R. 251; Bayley on Bills, p. 326, 2d Am. ed.

B., an innocent holder of a bill, payable to order, on which the payee's name had been forged, received the money upon the same from C., the drawer; *held*, that, though innocent of any intended wrong, B. had received the money upon an instrument to which he had no title, by reason of the payee's indorsement being forged, and he was bound to refund it to C., and could not resist a suit by C., or by the real owner of the bill. *Bank of Albany v. Canal Bank*, 2 Hill, 287; *Talbot v. Montgomery Bank*, 2 Hill, 295.

---

## CHAPTER V.

### PROMISSORY NOTES.

#### *Form and Parties.*

A PROMISSORY note is a written promise by one person to pay another person named, unconditionally and at all events, a certain sum of money, at a time specified. They are either negotiable or non-negotiable notes.

A note is negotiable when the promise is made to pay to a person, or his order, or bearer. For instance : —

“ *Boston, January 1st, 1852.*

“ For value received, I promise to pay to John Brown, or order, one thousand dollars, three months after date.

“ WILLIAM WHITE.”

Or : —

“ *Boston, January 1st, 1852.*

“ For value received, I promise to pay to John Brown, or bearer, one thousand dollars, three months after date.

“ WILLIAM WHITE.”

If the note read as follows, it would be a non-negotiable note : —

“ *Boston, January 1st, 1852.*

“ For value received, I promise to pay to John Brown one thousand dollars, three months after date.

“ WILLIAM WHITE.”

In case of a negotiable note, made payable “ to the order of A. B.,” or “ to A. B. or order,” the person who promises to pay is called the promisor or maker, and the person to whom it is made payable, the payee. If the payee writes on the back of the note his order to whom the contents shall be paid, and affixes his signature to it, or if he simply writes his name on the back in blank, he is called an indorser, and the person to whom he assigns the note is called the indorsee or holder. The same rules hold good in regard to indorsements on notes, that we have specified in regard to bills of exchange.

The difference between promissory notes and bills of exchange is, that a promissory note need not be presented for acceptance, but the promisor is, so to speak, the drawer and acceptor at the same time, and primarily liable to pay the note. A bill of exchange has ordinarily three parties, the drawer, the drawee or acceptor, and the payee ; and the acceptor is the primary debtor to the payee, and the drawer is only collaterally liable. The relations of the indorsers on both classes of instruments are essentially the same.

Promissory notes, like bills of exchange, are presumed, in law, to be for a valuable consideration. Between the original parties, the consideration may be inquired into as a matter of defence. But if the note is in the hands of an innocent holder, for a valuable consideration, without notice as to the origin of the note, it is binding upon all antecedent parties, and it becomes immaterial whether there was originally a consideration or not, except it be taken after it is overdue.

### *The Requisites of Notes.*

A promissory note must be in writing, either in ink or pencil ; that is to say, the signature of the promisor must be so ; the body of the note may be printed. If signed by an agent, it must be done in the name of the principal, as we have stated before in regard to bills of exchange.

Although the form we have given above is the one in common use,



still it may be varied, if only the essentials are contained in it. Thus, an order or promise to deliver a certain sum of money to A, or to be accountable or responsible to A for a certain sum of money, or that A shall receive it from the maker, is a good promissory note. So, a receipt for money "to be returned when called for"; or an acknowledgment, "Due to A a certain sum of money, payable on demand"; or a promise "to pay or cause to be paid to A" a certain sum of money; or an acknowledgment of a receipt of money to be repaid in one month; or acknowledging to have borrowed a certain sum of money, in promise of payment thereof; or saying, "I guarantee to pay A or his order" a certain sum, — have all been held to be good notes. It is not necessary that the payee should be expressly named; it is sufficient if it can be fairly implied to whom the promise is made. (Story on Promissory Notes, § 12.) But the express promise must appear on the instrument. A mere acknowledgment of debt, without a promise to pay, is not a promissory note; i. e. "I owe you one hundred dollars," is a mere due bill. But a due bill payable at a particular time would be a good note.

If the language of the instrument is ambiguous, and might be interpreted either as a promissory note or as a bill of exchange, the holder may treat it as either, at his option. So, if a person draws an order upon himself, or payable by himself, and indorses it, it may be treated as a promissory note. So, an order drawn by A, as manager of a company, on the company, for a certain sum, payable without acceptance to C. D. or order, may be treated as a promissory note. (*Miller v. Thomson*, 4 Scott's R. 204.)

#### *For the Payment of Money.*

The instrument, in order to be a valid promissory note, must be for the payment of money, and money only. For instance, a written promise for the delivery or payment of merchandise or chattels, is not a valid promissory note; or a written promise to pay the bearer a certain sum of money in goods or in grain, or to pay a sum of money "in foreign bills," or "in current bank-notes," or to pay a certain sum of money "and all fines according to rules," is not a promissory note.

#### *For a Fixed Sum and at all Events.*

The sum must, moreover, be for a fixed amount. A written promise to pay a certain sum of money, with all other sums that may be due to the payee, is not a promissory note. But the amount may be expressed in figures, instead of words.

It is further necessary, that the money be payable *absolutely* and *at all events*, and not subject to any condition or contingency. Thus, a promise to pay a certain sum of money "if A shall marry," or when A shall marry; or "provided A shall not pay the money by a certain day"; or "four years after date, if I am then living, otherwise this note to be null and void"; or "to pay when circumstances will admit, without detriment to myself or family"; or "provided the ship Mary arrives free from capture or condemnation"; or to pay when the payee "com-

pletes the building according to contract"; or "when certain carriages are sold," etc., — is not a valid promissory note. (Story on Notes, § 22.) So, likewise, a note for the payment of money "out of rents," or "out of the net proceeds of ore to be raised and sold from a certain ore-bed," or "out of the fifth payment when due," is not a valid promissory note, because the payment is made to depend upon the existence or sufficiency of a certain fund.

But a note promising to pay A or order a sum of money, "being money which I have received on his account," or "which I owe him for freight," or to pay to A. B. a certain sum of money, "so much being to be due from me to C. D., my landlady, at Lady Day next, who is indebted in that sum to A. B.," will be a valid note, because the additional words only show the consideration given.

#### *Payable at a Fixed Time.*

A note, in order to be valid, should be for the payment of money at a *fixed time*, or on some event which must necessarily happen. A note made payable at the death of a party to the note, or of a third party, is a valid note. But a note made payable "when the maker or the payee shall come of age," will not be a good note; but if the note were made payable "when the payee shall come of age, to wit, on the first day of January, 1852," it would be a good note, because the note would become due on the day specified, whether the payee were living or dead. So where the maker promised to pay a certain sum "by the 20th of May, 1807, or when he [the payee] completes the building according to contract," the court held it to be a valid note, it being payable at a day certain, the 20th of May. (Stevens v. Blunt, 7 Mass. 240.) So, where a note was made payable by instalments, with a proviso, that, if default be made in payment of any part of the first instalment, the whole shall become immediately payable, has been held a good note.

A note made payable at sight, or a certain number of days after sight, or in ten days after notice, or on request, or on demand, is a valid note, because payable at all events; so a note made payable at Christmas or New Year's day. (Story on Notes, § 29.)

#### *Payable by and to Persons certain.*

The validity of a note requires, further, that the persons by whom and to whom it is payable should be certain, and not contingent. A note made payable in the alternative, as "to A. B. or C. D.," or "to A. B. or C. D., or his or their order," is not a valid note; so a note payable "to the heirs, administrators, or assigns" is not valid. (Bennington v. Dinsmore, 2 Gill's R. 348.) The name of the person who makes the note must be inserted in the body, or subscribed at the bottom, of every note, and it must be written or signed by the person making it, or some one authorized by him for that purpose. (Bayley on Bills, Chap. I. § 11.) It is therefore not absolutely necessary, that the maker sign his name at the bottom, but it must appear, signed by him, on the face of the instrument. It must,

however, be observed, that it is so uncommon not to sign a note at the bottom of the instrument, that any such note would excite suspicion.

A note made payable by "A. B. or else C. D." is void as a promissory note, because it is uncertain who is to pay it.

*Payable to Bearer or a Fictitious Person.*

A note "payable to A or bearer," or "payable to bearer," is a valid note, and is payable to whoever holds it. So, a note in these words: "Received of B £ 50, which I promise to pay on demand," — is a good note, payable to B. A note payable to the order of the maker, and by him indorsed and put in circulation, is treated as a note to the bearer. A note issued with a blank for the payee's name, may be filled by any *bonâ fide* holder with his own name as payee. A note payable to "A or assigns," is equivalent to one payable to "A or his order."

If notes are made payable to a fictitious person, or to his order, and are issued with an indorsement in blank, purporting to be made by such person thereon, the real maker of the note, who assumes the character of the indorser, will be held liable, and the note, if in the hands of a *bonâ fide* holder, will be held payable to bearer; so, also, if put in circulation by the maker, with the indorsement of the payee forged upon it. (*Coggill v. American Exchange Bank*, 1 Comstock, 113.)

*A Note without a Date.*

If a note should bear no date, and be payable a certain number of days after date, the time will be computed from the day it was made and issued, and if that cannot be ascertained, from the day when its existence can first be established.

*Notes of Executors, etc.*

Trustees, guardians, executors and administrators, and other persons, not acting in their own right, will generally be held personally liable on promissory notes and bills of exchange, although they sign their name, with the addition, "as executor," or "as administrator." If they do not wish to be personally bound, they must use clear and explicit words to show that intention, and they must limit their responsibility by saying that they will pay out of the estate. (Story on Notes, § 63.)

A promissory note was signed by "B. and B., Trustees, etc."; it was held, they were personally liable. *Hills v. Banister*, 8 Cowen, 31.

*Place where a Note is made.*

The place where a note is made is generally put on the face of the note; but it is not absolutely necessary. If a note is intended to be paid at a particular place, that place must be stated in the instrument, and parol evidence is not admissible to show that the parties agreed to it. Nor is a mere memorandum at the foot or on the margin of the note sufficient to make it payable at a particular place; it should be in the body of the note itself, and constitute a part of it. (Story on Notes, § 49.)

*Memoranda on Notes.*

A memorandum at the bottom of a note payable on demand, below the maker's signature, in these words: "One half to be paid in twelve months, the balance in twenty-four months," — if written before the note is passed to the payee, was held to form a part of the note, and limit the generality of the words "on demand," in the body of the instrument. (*Heywood v. Perrin*, 10 Pick. 228.) And parol evidence was held admissible to show when, by whom, and under what circumstances, the memorandum was affixed to the note. (*Ibid.*)

*Notes signed by a Mark.*

If the note be made by a person who cannot write, and merely makes his mark, it is important to have a witness who can testify to the genuineness of the mark, because this would be required.

*Witnessed Notes.*

In the State of Massachusetts it has been enacted, that the statute of limitation shall not apply to any promissory note, attested by a witness, when the action thereon is brought by the payee or by his executor or administrator. It may sometimes create an inconvenience to have a note witnessed, because then the note must be proved by the attesting witness, and not otherwise, unless the witness be dead or abroad, or otherwise necessarily absent; and then the proof of the handwriting of the attesting witness may be required.

*Joint and several Notes.*

If more than one person make a note, it may be either joint, or it may be joint and several. If two or more persons write, "We promise to pay," it is a joint note only, unless they add the words "jointly and severally." When the note is written, "I promise to pay," and signed by two or more persons, it is a joint and several note. If the note is signed by a firm, or by one person of a firm in the name of the firm, it is a joint note, whether it be written "I" or "We" promise to pay. When a note is written, "We promise," and signed, "A. B. principal, C. D. surety," it is still the joint note of both; and if it be written, "I promise," and signed in the same manner, it would be the joint and several note of both. For the language merely serves to point out the relation of the makers to each other, and does not change the rights of the payee or holder. (*Story on Notes*, § 57.)

---

\*.\* This will be followed, in our next Number, by Chapter VI., containing "Presentment of Bills of Exchange and Promissory Notes for Payment."

## BANKING IN CONNECTICUT.

*Extracts from the Message of Governor Seymour to the Legislature of Connecticut,  
May, 1853.*

THE General Banking Law of the last session has led to the formation of several new banks, which have gone, or are about to go into operation. Those already organized, are, I believe, mostly, doing well. There can be no reasonable doubt of the safety of the free banks, as compared with those formed under special charters. In addition to the specie basis required by the general law, the pledges of stock for the redemption of their bills, furnishes a strong ground for the confidence of the public in the new system. As a whole, it is believed to be as well guarded in all respects as any similar banking law in the country; but as it is on trial here, the most rigid scrutiny of its several provisions is desirable. The important duties which it devolves on the State Treasurer, may require some further legislation, with a view to facilitate his labors, and more clearly define the sphere of duties and responsibilities which necessarily spring from such a broad supervision of the legalized currency of the State.

In proportion as the new system meets with favor, the demand for additional securities as a basis of bank issues will be made. Too great caution cannot be observed on this subject, and any course of action which should give encouragement to the creation of debts for the securities they may furnish in banking, might well be deplored. There is no provision in any of the laws relating to banking, for the destruction of bank plates, in the event of the dissolution or failure of any of these institutions. Something of the kind is required to prevent the possibility of the plates falling into the hands of those who might use them for purposes of fraud on the community.

Not having had an opportunity to look into the Bank Commissioners' report for the year during which they have been engaged in their duties, I am unable to refer particularly to the condition of the banks. The recent disastrous failure of two of the banks, by which a large number of persons have been virtually robbed of their earnings, will be brought to your notice. A high sense of duty overlooking all minor considerations, imperatively demands the most searching investigation into the affairs of the defunct corporations, whose brief existence terminated so disastrously to the community. Independent of the loss to the bill holders, which is very great, the system of which those banks constituted a part, has suffered from the shock,—the effects of which are manifest in the suspicion which has been cast upon our banking institutions generally. The recent warning we have had on this subject, calls for an inquiry into the whole subject of banking as it is now conducted, especially under the old system. Eventually the banks should all be required to come under the general law. But for the present, some legislation is required to check the uncalled for and dangerous amount of circulation of banks, and

bring it within some rule which shall exactly measure the liabilities of these institutions, by the means they possess for ample indemnification of the public against losses under any emergency.

Nothing can be more pernicious than an inflation of the currency. Though it may help stockholders, it is ruinous to others, and undoubtedly the most ingenious contrivance which can be devised to rob industry of its wages, and "take from the mouth of labor the bread it has earned." In the best condition of banking, the industrial classes begin to see, in high rents and increased prices of every article which enters into the consumption of families, a mysterious influence at work, which prevents them from accumulating anything. The bank failures of which I have spoken, if sifted to the bottom, will furnish a key to some of the evils lying at the foundation of the system, which, if timely removed, may save us from future bank suspensions, with all their serious consequences.

The recent scarcity of specie, which is partly caused by excess of paper money, has created the desire for the issue of fractional bills. This is a subject which also demands attention, and as there seems to be no provision against any such issues, the enactment of a law is required to put the seal of prohibition upon anything of the kind. If all bank bills under the denomination of five dollars were to be struck out of existence within the next year, the constitutional currency, increased by every arrival from the Pacific, would flow in, to take the place of bills, and give us a sound specie basis for legitimate business operations.

That such a result is desirable, and that the time will come, when it will be deemed the part of wisdom and justice to place the stockholders of banks, in point of liability to the extent of their property, on the same ground with individuals and partners in business, are propositions which can scarcely admit of a doubt.

I suggest for your consideration, whether greater powers ought not to be given to bank commissioners than they now have. Either this should be done, or the banks required to make frequent statements of their affairs. These suggestions are prompted by a desire to ensure the greater safety of the public, and at the same time keep unimpaired the credit of the institutions themselves.

A law is wanting to bring our rail-road companies under the immediate supervision of the State. It must be conceded, I think, that we ought not to trust altogether to the prudence and skill of the managers of the roads, or their agents. As the means of communication are multiplied, the obligation to exercise due care and diligence may, under some circumstances, be lessened or impaired. It therefore becomes a matter of signal importance to create a necessity for the exercise of constant vigilance, by the enactment of laws which shall simply provide, as far as human foresight and sagacity can do, against these frightful accidents which have so often left dismay and ruin in their path. Many of these accidents are the direct consequence of defective locomotives, badly constructed railways, inattention to the requisite repairs, improper signals, and other causes which might be enumerated, and which can only be guarded against, to the greatest extent, by subjecting the companies to the scrutiny of officers deriving their authority from the Legislature.

The appointment of general rail-road commissioners, to be composed in whole or in part of scientific men, with power to visit the several rail-roads from time to time, for the purpose of inquiring into and reporting abuses, if any shall be found to exist, and with further power to require a compliance with such rules as it may be found necessary to adopt in regard to this matter, would be an important step toward increasing the public confidence in the system. Direct interference with the affairs of rail-road companies is not asked for, but only such general supervision of the roads, and the means of conveyance upon them, as circumstances imperatively require. The dictates of wisdom, no less than those of humanity, clearly point to the necessity for legislative action upon this subject.

---

### PROPOSED DECIMAL COINAGE IN GREAT BRITAIN.

The following memorial to the Chancellor of the Exchequer, in favor of a proposed system of decimal coinage, was recently forwarded by the Manchester Commercial Association:—

THAT it has been satisfactorily demonstrated by many scientific and practical persons, that very great advantage would accrue to the commercial community from the adoption of a decimal system of coinage, (particularly in cases where calculations are made by way of per centages and averages;) and that the necessary change from the smaller description of coins now in circulation throughout the United Kingdom, to those required for the proposed decimal system, might be effected with the greatest facility. That the first step towards the introduction of a decimal coinage has been taken by the issue of the florin, or "one tenth of a pound sterling." That no change would be required in the number or value of the silver coins now most commonly in circulation, although it might be found desirable, in order to avoid confusion, to withdraw all pieces of greater value than the florin, which would then become the "second coin of account." That all shillings and sixpences might continue to circulate as half and quarter florins respectively, and all newly coined silver should be issued with its value, as "one florin," "half-florin," or "quarter-florin," stamped legibly thereon. That the nature and amount of the change required in the copper money of the realm is insignificant, being not greater than four per cent. in actual value. That by the division of the florin into one hundred parts, called cents, the present threefold denomination of coins of account might be retained, and the difficulty attending the introduction of one-tenth of a florin, as a fourth coin of account, might be avoided. That every amount written in pounds, florins, or cents, might then be treated as a simple number of pounds sterling, of florins, or of cents, without any other reduction than that required by the removal of the decimal points. That every combination of cents, from the florin down to one cent, equal to one farthing, could be made in copper, by the employment of only two copper coins,

and every combination and payment of five, ten, fifteen, twenty, &c., cents could be effected in silver by the coinage of one new piece, equal to fifteen cents, value about three and a half pence, and the withdrawal of the present pieces of fourpence and threepence, greater facility and more accurate subdivision of payments being thus accomplished by means of a smaller number of pieces than are now in use. That the present time of peace and commercial activity, of vastly increased intercourse with all parts of the world, especially with the United States, and with France, where the decimal system already prevails, and when attention is generally directed to the subject of the currency from the discoveries of gold in California and Australia, offers as good an opportunity as can fairly be expected for the execution of this design, now too long delayed. That the adoption of a decimal coinage would, when introduced, form the first and most necessary step in a series of laws for the regulation and simplification of our measures of capacity, weight, and length; the former of which especially require early attention, on account of the abuses now notoriously prevalent, which call loudly for the interposition of the Legislature. That your memorialists believe, that by judicious management in the introduction of the proposed new system, very little inconvenience need be inflicted upon the mass of the people during the transition from one system to another, and that the same might be accomplished with little loss or cost to the nation, and absolutely without any injury whatever to individuals. That for these reasons your memorialists pray that the early and earnest attention of government may be directed to this subject; and they would undertake to co-operate heartily with the Legislature in promoting the successful working of an improvement, small perhaps in appearance, but fraught, as your memorialists believe, with important benefits to the general trade and commerce of the country. And your memorialists will ever pray.

---

#### FINANCIAL RETROSPECT OF THE YEAR 1852.

[From the London Morning Chronicle, January 1, 1853.]

The year 1852, like 1851, opened with the prospect of a large and increasing foreign and domestic trade. Confidence in the present and future prosperity of the country was generally entertained throughout the mercantile world, and business was in consequence entered into with freedom. At peace with all the great powers, and our dependencies only disturbed by the petty but expensive war at the Cape and the expedition against the Burmese, nothing existed to disturb the public mind, and to obstruct the free operations of industry. With the opening of spring, commercial transactions augmented in number and extent. Trade increased, and prices and profits improved; and those who had been slow in moving with the times soon discovered their error, and operated with spirit. As the year advanced, the anticipations entertained at its commencement became realized, but with a further demand for produce and manufactures, and a rise in prices. Some over-speculation, as might have been expected, took place, causing the suspension of a few mercantile



firms, but producing little or no effect in checking the improving tone of trade. Bubble joint stock companies also, at one time, appeared in numbers sufficient to cause apprehension, in the minds of some, of the approach of a speculative crisis; but most of them disappeared without finding purchasers of shares to an amount sufficient to cover the advertising outlay of the ingenious and enterprising projectors. The latter part of the year only affords topics for general congratulation. Domestic trade, wholesale and retail, has been carried on with more than usual success, and with less of the grumbling, and of the disposition never to be satisfied, which belongs peculiarly to "a nation of shopkeepers." Our great hives of industry in the northern parts of England have furnished the pleasing spectacle of a well and fully employed working population, in the receipt of remunerating and good wages, and showing their contentment by their quiet and orderly conduct, and by a total abstinence from political agitation. Our rural laborers, too, have partaken in the general prosperity; for competition has given new life to agriculture, and has afforded increased employment for laborers, while a low price of provisions has secured them increased comforts. Wherever we turn our eyes—to the city, among the dealers in money and securities—to the produce markets, among brokers and agents—to the shipping in the port of London—or to the bankers in the neighborhood of the Royal Exchange—we see the same activity, the same increased business, and the same satisfaction at the absence of those losses in trade to which our extensive transactions expose those who are engaged in them. Our duty, therefore, in this annual review of the operations of industry, consists chiefly in furnishing facts and figures illustrative and confirmatory of that general prosperity which undoubtedly reigns in all the great branches of industry.

The experience of the year which has just terminated has furnished additional and ample confirmation of the wisdom of that system of commercial policy introduced by the most illustrious of recent statesmen, the late lamented Sir Robert Peel. There is no longer room for doubt and speculation as to the effects of free and unrestricted competition with other nations. The problem has been solved, and the results have in all respects proved most gratifying. So far from our energies having been depressed by the adoption of liberal tariffs, new life, spirit and vigor have been infused into all branches of trade, manufacture and commerce. Nor has that policy been without its effects upon the peace of the world. Whatever other causes may have been at work in maintaining general tranquillity, the new system of commercial policy, of which the great statesman already alluded to was the practical founder, must be, and is now admitted to have been, the principal. Englishmen may be said to be constitutionally averse to innovations. Their progressive movements have, until lately, been slow but sure; hence there was a long and arduous struggle for free-trade, as there had been before for Parliamentary reform. But the popular cause was eventually signally triumphant; and with reference to the present state of things, it has at last silenced even the murmurs of opposition. No innovation of modern times of so bold a character, and affecting interests so vast and various, has so completely realized the san-

guine predictions of its supporters, and justified their wisdom, as this greatest commercial revolution of any age.

The amazing emigration to Australia, consequent upon the discovery of gold, which commenced in the spring of the year and continued to its close, must be regarded as by far the most important occurrence of the time. The English people, always slow in crediting marvellous reports, received the first accounts of the successes of the diggers with hesitation and doubt; and it was matter of surprise that so little disposition existed to participate in pursuits offering such astonishing prospects of wealth. In Australia itself, the "diggings" had no sooner become known than all other pursuits of industry were abandoned, and all classes of the population hurried to enrich themselves by the apparently easy occupation of digging for gold. Labor became suddenly withdrawn from every usual pursuit of industry, upon the successful prosecution of which its former prosperity had entirely depended. The flocks of sheep, whose wool furnishes employment to hundreds of thousands of our own weavers, were neglected, and fears existed of their destruction for want of shepherds. The ruin of the colony appeared inevitable from the discovery of that treasure whose possession had commonly been looked upon as the foundation of the wealth of nations. It became necessary that immediate efforts should be made to stimulate emigration, as the only means of saving Australia from ruin. Accordingly, the colonists sent deputations to England to urge the Government to promote free emigration upon a large scale. But the Government was slow to act, and the people themselves appeared equally unwilling to engage in a pursuit which now occupies a place in the thoughts of so many. It was not until the month of May in last year that the tide of emigration fully set in. But in the following weeks and months it flowed on with astonishing rapidity. Men of all classes, having the qualifications of health and ability to dig, became anxious to embark for Australia. Ships, during many weeks, could hardly be chartered in sufficient numbers to carry the passengers requiring accommodations. And, strange to say, notwithstanding the vast numbers of the emigrants who have already reached the gold fields, very few, according to the latest accounts, have been disappointed. The auriferous wealth increases in quantity the more the country is explored.

The effects of the discovery of gold in Australia have been, and will be, felt in many forms. Without doubt, the emigration of the last year has produced a greatly increased demand for servants of all classes. The advertising columns of the newspapers contain the word "wanted," in capitals, as applied to servants, to an extent never before seen in the country. Clerks, shopmen, youths, apprentices, domestic servants are required daily in unprecedented numbers. Here the beneficial effects of emigration are most plainly to be seen, and here it was also relief was most needed. Nowhere has our population been so much in excess as in our large towns. Educated young men, who were fairly entitled to employment at respectable remuneration, have too long found it difficult to find occupation even at low wages.

It has been said that the diminution of the poor rates is attributable in a great measure to the increased demand for labor consequent upon

emigration, but facts do not support the assertion. It is strange, but it is true, that the class of our population which is most unwilling to leave their homes, are the country laborers. These have only become emigrants when they have been sought out by agents and have been offered free passages. By far the larger part of the emigrants who have already gone to Australia, are enterprising young men from our large towns. It will be a great benefit to the country, if emigration should create such a healthy demand for the services of this class of our population as will lead to a considerable increase of salaries to persons who have been too long underpaid.

Hitherto the discovery of the gold fields has produced little or no effect where it was most looked for. The increased stock of gold in the Bank of England has not arisen from the importation of "nuggets" from Australia, which have simply come to England to be coined, and have gone back again; so that the belief entertained by some protectionist philosophers, that money has been made abundant from this cause, is a fallacy originating in imperfect information.

Our shipping interest is largely indebted to this cause for its present prosperity. The number of vessels employed as emigrant ships is without precedent, and we may be sure that the demand will largely increase.

Looking to the future, it is difficult to say what will be the changes worked upon the condition of the people and the destinies of the country by the discovery of gold in Australia. The emigration of the past year is probably small in comparison with that which will take place in this. The condition of the laboring population must be affected in a highly advantageous manner. The labor market will be operated upon in a two-fold way. The number of workers will be diminished, whilst the increased commerce with the colonies will stimulate the demand for hands. And, looking at the enormous amount of gold obtained by the diggers, the question as to its operation upon the currency must soon occupy attention. Already the stock of gold in the Bank of England is double the amount which economists think is required by the wants of the country. The time may come—and it is, perhaps, not far distant—when the currency question will again occupy the minds of our statesmen.

During the past year, it may be remarked, generally, that the poor-rates have undergone a great reduction, thus furnishing evidence of the improved condition of the working population of the country. In the manufacturing districts trade has been brisk, and the traffic returns of our railways show increased productiveness. Money is still abundant, and may be obtained at easy interest—an important element in commercial prosperity. The monthly returns of the exports and imports, furnished by the Board of Trade, exhibit a progressive increase in amount. The shipping interest is flourishing beyond all former example, and the value of shares in our great joint-stock undertakings has partaken of the general improvement. Altogether, the business of the country during the past year affords matter for congratulation, whilst the prospects of the coming year are of the brightest kind.

The stock markets have been distinguished by a considerable rise in prices, with great activity in business, and the year closed with much firmness, although at rather lower quotations than were current at one period in December. The public invested largely in the funded securities, but the attention of the jobbers was chiefly directed to operations in the foreign securities, railway shares, and, latterly, gold mining and Australian land shares. In all these a rapid advance at one time or other took place, and great excitement prevailed in the several markets. Some reaction necessarily took place at certain periods; but although prices receded, they soon recovered, and as the year advanced to its close, speculation rapidly increased. In some classes of stock a very great improvement took place. During the last week of the year, however, business became much less active, and prices drooped, though the markets finally closed with a firm tone. In Consols, the fluctuations were to the extent of  $5\frac{1}{2}$  per cent., against  $3\frac{1}{2}$  per cent. in 1851; 4 per cent. in 1850; 9 per cent. in 1849; 10 per cent. in 1848, and 15 per cent. in 1847.

The *London Times*, in a review of the stock and financial affairs during the year 1852, says:

"Throughout the whole period the extreme range of Consols (which was only  $3\frac{1}{2}$  per cent. both in 1850 and 1851) has been  $5\frac{1}{2}$  per cent., while the total sustained advance since the beginning of the year has been  $3\frac{1}{2}$  per cent. In railway shares the fluctuations have been great, but the general tendency has been toward a decided rise, and in some cases, such as the Caledonian and Eastern counties, the recovery has been equal to 100 per cent. In United States securities there has been continued firmness, and a general advance of from 4 to 8 per cent. The bank bullion on the 1st of January was £17,557,541; it reached £22,232,138 on the 10th of July, and it is now £20,749,190. At the Bank of France, the total at the beginning of the year was £22,750,000, but, although there was a considerable subsequent increase, the amount has now receded to £20,450,000."

---

## FOREIGN ITEMS.

**ENGLISH MINT.**—Such is the pressure upon the London mint for silver coins, and also for copper coins, that the English Government has eventually entered into a contract with Messrs. Heaton & Son of Birmingham, for the manufacture of five hundred tons of copper coin, at prices applicable to pence, half-pence, farthings, half-farthings, and quarter-farthings. The *London Economist* says, that this course is resorted to because the mint, under the present and pressing demand for gold and silver coin, cannot devote any part of its establishment to copper coinage, and the inconvenience arising from a deficient supply of copper is too great to admit of any further delay.

The *Economist* states further, that this new arrangement will not interfere materially with the adoption of the decimal coinage which is now under consideration for the British Empire.

The increase of gold into Paris still continues, and the mint has been compelled to extend the interval between the receipts of bullion and delivery of coin to eighteen instead of fourteen days.

**GOLD COINAGE.**—Notwithstanding the large amount of coinage last year by the English mint, (£8,742,270 gold, and £189,596 in silver,) the *European Times* says:—

"Great inconvenience has of late been experienced from the want of a sufficient supply of coinage, and particularly of silver and copper. The demand for gold coin, notwithstanding the enormous amount coined last year, (£8,749,000,) continues as great as ever, and the whole strength of the mint requires to be devoted to it. Till a comparatively recent time, the largest amount of gold coin which it was considered could be turned out by the mint was £250,000 a week; at the present moment, the quantity coined has risen to about £520,000 a week; and yet, such is the demand, that even that quantity appears to be insufficient to supply it. In the month of January, during a short cessation of the pressure for gold coinage, a quantity of silver equal to £92,000 was coined, being equal to one-half of the entire silver coinage of 1852, and being more than the entire silver coinage of 1851, which was £87,868. In the midst of this pressure for gold and silver coin, the manufacture of copper coin seems to have been impossible at the mint, while the demand has been, and still continues to be, extremely great. It is now understood that the mint authorities, in order to supply the want, are about to enter into a contract with private persons for the manufacture of so large a quantity of this coin as will effectually meet the demand.

"Of the large amount of gold held by the bank in January last, £10,827,436 was in bullion, £6,509,204 in foreign gold coin, and only £3,123,943 in British gold coins."

**AUSTRALIAN MINT.**—The *London Times* states, that a company has been formed under the title of the Royal Australian Mint Association, for the establishment of a mint, with local branches, in Australia, for assaying and stamping, or coining the gold produced in that colony. The undertaking appears to be projected mainly on the readiness now shown by the imperial government to sanction the establishment of Australian mints. Mr. Wilson announced the other evening, in the House of Commons, that "Government would be ready, free of all charge to the home government, and with proper regulations for securing the purity and weight of the coin, to grant the establishment of mints wherever they were demanded." We understand, however, that government do not propose allowing the Australian mints to coin sovereigns, but only local coins or tokens, a restriction of which it is not easy to perceive the wisdom.

Further shipments of gold to the Continent are taking place. We know of the dispatch of between £50,000 and £60,000 worth per day, and more will probably be sent next week. The shipments are chiefly in bars. It is thus apparent that of the Australian gold that is now coming in, a considerable portion is leaving England in the ordinary course of trade.

The customs' authorities have declined to permit gold dust, on arrival, to be taken out of the vessel and deposited in the Queen's warehouse until the owners can be apprised of its arrival and cause it to be removed, being unwilling, even for a time, to become officially responsible for the safe custody of property of such value. According to present rules, on the production of requisite authority, an order is issued by the proper officer for the specie to be landed from the vessel and conveyed at once to the bank immediately on the report of the vessel's arrival.

**BANK OF FRANCE.**—The last official report of the Bank of France shows a capital of 91,250,000 francs. Circulation, 675,065,486 francs. Deposits, 139,454,000 francs. Coin on hand, 497,441,625 francs. Commercial bills discounted, 249,849,196 francs. Advances on rail-road and government securities, 112,435,000 francs.

It appears from the preceding account that the cash in the Paris and Branch Banks has increased within the last month by 12,663,000f. The commercial bills discounted have decreased by 21,974,000f. The bank notes in circulation have increased by 7,199,000f. The advances on French public securities have decreased by 20,000f. The advances on railway securities have increased by 3,096,000f. The balance to the credit of the Treasury has decreased by 26,463,000f. The sundry credits have increased by 11,034f.

**FOREIGN MAILS.**—A London Post Office order states that:—

"A line of mail packets, established under a contract made by the government of Canada, is about to commence running between Liverpool and Quebec. Mails will be made up for conveyance by these contract packets, and such correspondence will be forwarded by them as may be specially addressed "By Canadian mail-packet." The postage upon letters sent by these packets will be—1s. for a letter not exceeding  $\frac{1}{2}$ oz. in weight, 2s. for a letter exceeding  $\frac{1}{2}$ oz. and not exceeding 1oz., and so on, according to the scale for charging inland letters—and such letters may be paid in advance, or forwarded unpaid, at the option of the sender. Upon books, the rate of postage of 6d. for a packet not exceeding  $\frac{1}{2}$ lb. in weight, 1s. for a packet exceeding  $\frac{1}{2}$ lb. and not exceeding 1lb., and so on, will be chargeable. Newspapers will be free of postage. Books and newspapers, as well as letters, intended to be sent by these vessels, must be specially addressed 'By Canadian mail-packet.'"

**FRANCE.**—The commercial advices from the west of France mention, with regard to the prospects of this year's harvest, that the wheat crop in that section of the country must be a backward one, and cannot be large, although in the dry and high land appearances are favorable. The breadth of land under wheat, in the five or six departments whose outlet is at the port of Nantes, was estimated at the end of the year to be one-fifth under an average, and the subsequent state of the weather has prevented any increase. Spring corn, however, will be sown largely.

**LONDON STOCK BOARD.**—A good deal of attention has been excited at the London Stock Board by the appearance on the market of the North of Spain Railway. A disposition was shown to receive the project with favor, but dealings are checked by the conviction that the Stock Exchange Committee, under present circumstances, will not deviate from the very proper course of refusing to allow of the official marking of any stock that enjoys a guarantee from Spain. A settling day, however, will doubtless be granted, as in the case of the Ebro Canal Company. As a test of the credit of Spain, the reception given to this railway is regarded with a good deal of interest. It is very justly argued, that if capitalists are disposed to consider the projected Spanish loan a "good thing," the railway ought to be a far better one, inasmuch as it possesses several advantages not derivable from the loan. One of these is the collateral guarantee afforded by the municipalities and *communes* through which the line passes; and another consists in the fact that the capital, received as a loan to the government, is further secured upon the railway itself, which is a trunk line, without competition, and supported by the government and court party.

**PERU.**—At the London Stock Board has appeared a prospectus for a Peruvian rail-road from the port of Arica to Tacna, a distance of forty miles. It is to be constructed under a charter from the government of Peru for ninety-nine years, with a guarantee for the first twenty-five years of a minimum dividend of  $5\frac{1}{2}$  per cent. per annum, on a capital of £500,000. The guarantees of the Peruvian government do not bear a very high character in the English market, and capitalists do not evince much haste in taking hold of this new offer.

**AUSTRALIA.**—The directors of the English, Scottish, and Australian Chartered Bank inform their shareholders that they have completed all their arrangements at Sydney and Melbourne to enter upon their duties at those places. The directors have also arranged that such of the shareholders as may be desirous of doing so, will be at liberty to pay up the remainder of their shares in full, or any part thereof; and that upon such anticipated payments, interest will be allowed at the rate of four per cent. per annum.

**THE BANK OF FRANCE.**—The monthly report for June, 9, 1853, states an increase of 22,734,000 francs in coin, as compared with the statement for May preceding; discounted bills have decreased 3,721,000 francs; advances on government securities have decreased 1,278,000 francs. Advances on railway securities have increased 6,383,000 francs, and the circulation has decreased 40,918,000 francs: total coin on hand, 534,216,000 francs; circulation, 628,000,000 francs, on a capital of 91,250,000 francs.

**CANADA.**—Foremost among the new schemes stands the Grand Trunk Railway Company of Canada, whose prospectus was issued the other day. The object of this company is to amalgamate, in accordance with the desire of the local government, all the railways at present existing in Canada, to form one grand trunk line of nine hundred and sixty-four miles in length, with a combined capital of £9,500,000. The estimated probable revenue of the entire undertaking is £549,696, which is equal to 11½ per cent. on the share capital. Another of the new undertakings is the Oriental Gas Company, formed with the object of introducing gas into India and our other eastern dependencies, commencing with Calcutta, Madras and Bombay. The capital is £50,000 only, in shares of £1 each. According to the estimates of the projectors, considerable rates of profit are calculated on. Then there are companies announced for working new mines of silver, tin and copper; all of which schemes are not inopportune at the present time, when money is plentiful and likely to become more so. But they have had unfavorable influence on existing undertakings; however, as regards the Californian companies, the advices received in the beginning of the week favorably affected their projects.—*Times*.

**TURKEY.**—The proposition of the Turkish government to pay off the instalment on the loan, with a bonus for interest and premium equal to about £8 8s. on every bond, has been accepted by the bondholders, who are in general pleased with the arrangement. The state of trade in the manufacturing districts is on the whole satisfactory. Producers are generally pretty free from stock, and fairly supplied with contracts. The flannel markets are good both as regards demand and price; so in the wool marts. Despite the serious detention of ships at Australia, the trade between this country and the East, including the gold regions, during the first quarter of the present year, has increased to a great extent over the same period of last year.—*Times*.

**BANK OF ENGLAND.**—The following is the list of governors and directors of the Bank of England for the year ensuing, viz:

FOR GOVERNORS.

John Gellibrand Hubbard, Esq., governor.  
Thomas Matthias Weguelin, Esq., deputy-governor.

FOR DIRECTORS.

Henry Hulse Berens, Esq.,	Henry Lancelot Holland, Esq.,
Arthur Edward Campbell, Esq.,	Thomas Newman Hunt, Esq.,
Edward Henry Chapman, Esq.,	Alfred Latham, Esq.,
Robert Wigram Crawford, Esq.,	James Malcolmson, Esq.,
William Cotton, Esq.,	James Morris, Esq.,
Bonamy Dobree, Esq.,	Sheffield Neave, Esq.,
Benjamin Buck Green, Esq.,	George Warde Norman, Esq.,
George Pascoe Grenfell, Esq.,	John Horsely Palmer, Esq.,
*Henry Hucks Gibbs, Esq.,	Henry James Prescott, Esq.,
Thomson Hankey, Jun., Esq.,	William Thomson, Esq., and Alderman,
John Oliver Hansen, Esq.,	Thomas Tooke, Jun., Esq.,
Kirkman Daniel Hodgson, Esq.,	

The gentleman against whose name an asterisk is placed, was a new candidate for the direction. The election for governor and deputy-governor was held at the bank on Tuesday, the 5th April, and for directors, on Wednesday, the 6th April, from ten o'clock in the forenoon, till four in the afternoon.

Thomson Hankey, Jun., Esq., retires from the position held for several years as governor of the Bank.

**SPANISH LOAN.**—It having been announced that Messrs. Baring & Co. were about to bring forward a new loan to the extent of five millions pounds sterling, in behalf of the Spanish government, the proposition is loudly condemned in the London money circles. A correspondent of the London *Times*, "*One victim in many thousands to Spanish dishonesty*," cautions capitalists against aiding the negotiation of the new loan, and urges that powerful press to "dissuade parties who have a character for

honesty and respectability from having any thing to do with the negotiation of a new loan for the Spanish government, till they have kept faith as respects their old engagements."

The *London Times* says:

"From Constantinople the statement is repeated, that the negotiations for the establishment of a new bank are almost concluded. The intended capital is alleged to be £4,000,000, and the tribute of Egypt is to be mortgaged as a security for 15 years. It is to be hoped, however, that not a shilling can be raised in this country, unless the engagements of the last bank are previously fulfilled by an ample indemnity to the holders of the loan."

**COPPER CURRENCY.**—The British government give notice of their intention to issue five hundred tons of a new copper coinage. The advocates of a decimal currency in Great Britain fear that this will interfere with the adoption of that system, which has been strongly recommended to the consideration of the government. It is now fifteen years since the "Commission on the Standard of Weights and Measures," consisting of the Astronomer Royal and eight other members of scientific bodies, urged upon the British government the advantage and facility of establishing the decimal plan. "In our opinion," they then said, "no single change which it is in the power of a government to effect, in the monetary system, would be felt by all classes as equally beneficial with this." They further suggested the creation of "a new coin equivalent to two shillings, to be called by a distinctive name, and to consider the farthing as the thousandth part of a pound sterling, instead of 960th part as at present.

The government has since ordered the coinage of the florin, which is now current throughout Great Britain, of the value of two shillings, or one-tenth of a pound.

**FOREIGN RAILWAYS.**—The following list shows the lines of rail-roads that were working in Prussia in 1851, with the amount of their cost, and the proportion per cent., which the net revenue, after paying all expenses and providing a reserve fund, bore to the outlay:

	Cost in thalers.	Net revenue.		Cost in thalers.	Net revenue.
Magdeburg and Leipzig,	2,800,000	16 per cent.	Munster and Hammer,	1,800,000	2 per cent.
Magdeburg and Halber-			Berlin-Potsdam-Madge-		
stadt, . . . . .	1,700,000	9 "	burg, . . . . .	4,000,000	3½ "
Oberschlesisches, . .	6,808,100	8 "	Rheinische, . . . .	4,750,000	3½ "
Bonn and Cologne, . .	1,051,200	5 "	Thuringische, . . .	9,000,000	2½ "
Berlin and Stettin, . .	4,524,000	7½ "	Neisse and Brieg, . .	1,100,000	2½ "
Cologne and Minden, . .	13,000,000	5 7-12 "	Bergisch-Markische, .	4,000,000	1 "
Berlin-Anholtische, . .	6,000,000	6 "	Stargard and Posen, .	5,000,000	"
Berlin and Hamburg, . .	8,000,900	3½ "	Magdeburg and Whit-		
Dusseldorf and Elber-			tenburg, . . . . .	8,650,000	"
feld, . . . . .	1,027,800	8 "	Prinz-Wilhelms-Bahn, .	1,300,000	"
Wilhelmsbahn, . . . .	1,200,000	5 1-6 "	Niederschlesisch Branch		
Breslau and Freiburg,	1,700,000	8 2-3 "	Railway, . . . . .	1,413,000	"

The Prussian *thaler* is generally estimated at eighty cents, United States currency.

According to the *London Times*, German railways represent a capital of 500,000,000 *thalers*, and nearly 1,000 leagues (four and a half English miles) of rails are already laid down. The gross receipts of last year amounted to about 44,000,000 of *thalers*, which, after deducting costs of working, leaves an average net income of 5 3-10 per cent. This, according to the Prussian statistics, exceeds the results of railways in all other countries. The average net revenue of railways in Great Britain is stated to be 3 1-5 per cent.; in Belgium 3 2-5 per cent.; in France, 3 1-10 per cent.; and in the United States of America, 4 3-10 per cent.

**AUSTRIAN FINANCES.**—The Vienna correspondent of the *London Times*, under date April 13th, states as follows:

"The last State balance sheet shows a diminution of 2,776,522fl. in the paper currency during the month of March. The State notes now in circulation amount to 148,462,590fl. On the 20th, 450,000fl. in "*munzscheine*" (petty notes) will be publicly burned, and on the 23d, 2,500,000fl. in Treasury bills bearing interest and Hungarian assignate, will share the same fate. During the years 1851, 1852 and 1853,



State notes to the amount of 33,550,000fl. have been destroyed. Government just now takes such extraordinary pains to show that the Austrian finances are improving, that it is evident a new loan is soon to be made. This may also be one reason why the government organs have ceased to treat the English like a nation of pickpockets.

\*The distress in the manufacturing suburbs is becoming a very serious matter. In Gumpendorf, Schottenfeld and Neubau, the shawl and ribbon manufacturers, who worked with borrowed capital, have entirely left off work, while the great firms have dismissed half their workmen. This sad state of things is principally attributable to Baron Krauss's abuse of the paper currency system. Under his administration about 400,000,000 of paper florins were in circulation, but since his successor came into office, notes to the amount of 80,000,000 of florins have been withdrawn. By order of the Finance Department, the bank has reduced its portfolio, and the consequence is, that what was formerly almost a drug in the market has now become a rarity. Men in business, whose veracity cannot be doubted, assure me that matters are much worse in some parts of the country, where the discount is 15 and even 18 per cent.

"It is believed that measures are contemplated for effecting some new arrangement with regard to the vast amount of stock held on account of savings banks. By a return just issued, it appears that the total is £33,263,273, and as large losses occur to the nation, from the fact that depositors usually claim repayments when prices are low, and bring in money when they are high, thus putting the government in the predicament of having to buy or sell always at a disadvantage, it is considered that the present moment is opportune for a reduction of the rate of interest allowed, or for adopting such other remedy as may appear desirable."

**RUSSIAN COINAGE.**—A Russian official document, just issued, gives the following statistics of the coinage and currency of the Russian Empire:

"From 1826 to 1851, the total value of the gold and silver mined in this country was 285,769,000 silver rubles, the ruble being about 65 cents. During the same time there was imported the amount of 189,925,000 rubles, while only 43,350,000 were exported. This leaves a total of the precious metal introduced into the country, and remaining there, of 426,714,000, of which 426,625,000 have been sent to the mint at St. Petersburg. Of this sum, 340,000,000 rubles have been coined for circulation, 1,707,000 been converted into metals, and 39,462,000 into ingots. But this does not give the total of the money in circulation. We must add to the amount given above as coined, the amount in circulation prior to 1826. From 1664 to 1762, there were coined 2,445,000 rubles in gold, and 90,135,000 in silver, a total of 92,580,000, all of which has since been withdrawn from circulation. During the reign of Catharine II., from 1762 to 1796, 15,938,000 were coined in gold, and 70,941,000 in silver; total, 86,870,000. Under Paul, from 1796 to 1801, 2,160,000 in gold, and 10,018,000 in silver; or, in all, 12,187,000. Of these two reigns, the gold coinage has been almost entirely withdrawn from circulation, because the coins were intrinsically worth more than their nominal value. Of the silver, about one-third, or 27,000,000 rubles, remain in circulation. During the reign of Alexander, from 1801 to 1826, 43,146,000 rubles were coined gold, and 110,264,000 in silver, giving a total of 153,410,000. About 14,000,000 of the gold, and 37,000,000 of the silver of this reign remain in circulation. During the reign of the present Emperor Nicholas, about one-third of the gold coined, or 75,000,000, and one-sixth of the silver, or 14,000,000, has been withdrawn. The grand result arrived at is, that there is at present in circulation within the empire, not less than 340 millions of rubles, minus the 100 millions deposited as security at the bank, which leaves 240 millions, or about 180 millions of dollars."

**COPPER IN ENGLAND.**—The *London Post* says:

"We regret to record a fall in the price of copper of fully £10 per ton. Last Thursday the standard fell, and during the last month a decline of fully 12 per cent. took place; this must materially affect the standard dividend mines of Cornwall and Devon. We still adhere to our views, and cannot but lament that many desirable and progressive mines are now selling at prices infinitely beneath their intrinsic value, while others of the most speculative character sell at double the prices, in instances without the hope of even ultimate success."

**NEW BANKS IN ENGLAND.**—The fever of speculation has extended to the formation of new banks in London, and to the shares both in the old and new institutions—especially those engaged in the Australian enterprises. We annex a list of all those institutions now doing business in London, showing an advance of one or two hundred per cent. in some cases:

NAME.	Per share paid in.	Present price.	Per cent. dividend.	NAME.	Per share paid in.	Present price.	Per cent. dividend.
Australian, . . . .	£40	98½	6	National Provincial Bank, . . . .	35	46½	6
Bank of Brit. N. America, . . . .	50	60	6	National Bank of Ireland, . . . .	22½	29½	4
Colonial Bank, . . . .	25	17½	8	Oriental Bank Corporation, . . . .	25	58	8
Commercial Bank, . . . .	20	32	6	Provincial Bank of Ireland, . . . .	25	48½	8
London Char. for Australia, . . . .	12	17½	—	Ionian Bank, . . . .	25	24	6
London and County, . . . .	20	30½	6	South Australia, . . . .	25	51	6
London Joint Stock Bank, . . . .	10	20½	6	Union Bank of Australia, . . . .	25	78	6
London & Westminster Bk., . . . .	20	85½	6	Union Bank of London, . . . .	10	17½	7

**LIFE INSURANCE COMPANIES IN LONDON.**

Albion Life Insurance Co., . . . .	£50	90	81½	National Loan Fund Co., . . . .	2½	2½	5
British Commercial " . . . .	5	7	7½	Provident Life " . . . .	10	41	15
Law Life " . . . .	10	50	18				

**LIGHT GOLD.**—In the British House of Commons the subject of light gold pieces has been introduced:

Mr. Pellatt wished to ask the Secretary of the Treasury whether the government intended to take any, and what steps, to protect the public from the circulation of light sovereigns and half sovereigns, by which serious loss is now sustained in the deductions for light gold by the bankers.

Mr. Wilson said, the government had no intention to take any steps other than those which the law at present provided against any loss by light gold; and in regard to what he had stated a few evenings ago, his honorable friend would see, that to recall all light sovereigns and half sovereigns, and to make any thing like a general issue of fresh coin, was at the present moment impossible.

**THE MONEY MARKET OF LONDON.**—It may not be amiss to mention, that certain influence is being exercised upon securities generally, by the flood of new projects that is pouring in upon the market. Irrespective of the well-known fact, that old stocks, to a considerable extent at least, must be sold to take up these new securities, cautious men experience a growing feeling of distrust in view of the daily hatching of new schemes, and the future effect which they are naturally expected to have upon the market. It is one of the worst features of a company-forming mania, that, while schemes are being multiplied to a vast extent, the money market remains comparatively quiescent; it is when the heavy and repeated calls fall due that the real effect is experienced. It is in the apprehension of such a pressure being induced by the speculative spirit now afloat, that many parties appear rather disposed to realize at good profits, than to have large sums out in the numerous projects of the day.

The directors of the London Chartered Bank of Australia have issued notes to the effect, that the necessary certificate has been obtained from the Treasury, in conformity with the terms of the charter, that the whole capital of £500,000 has been duly subscribed, authorizing the bank to commence business, and that instructions have been forwarded to the colonies to that effect.—*Daily News*.

**PORTUGUESE BONDS.**—The *Morning Chronicle* of April 16th says, that:

"A deputation from the committee of Portuguese bondholders, accompanied by Sir J. Duke, M. P., Mr. Williams, M. P., Mr. Foster, M. P., Mr. Richard Thornton, Mr. Thomas Thornton, Mr. James Hutchinson, (Chairman of the Committee of the Stock Exchange,) Sir Henry Pynn, Captain Gardiner, and Mr. C. Quade, had an interview with the Earl of Clarendon on Saturday, at the Foreign office, when Mr. Thornton, the chairman of the committee, presented a memorial to his lordship, praying his lordship to interpose his good offices in obtaining redress for the grievances and continued injustice inflicted by Portugal on her long-suffering foreign creditors."

**PARIS FINANCES.**—The city of Paris, in virtue of a law of the 4th of August, 1851, raised a loan of 50,000,000 fr. for the termination of the Rue de Rivoli, the establishment of central markets, and for other improvements. The premium given on the loan was 11,391,900 fr., so that the total sum received by the city was 61,391,000 fr. Of this total 6,962,519 fr. 63 c. were disbursed in 1851, for the Rue de Rivoli; and in 1852, the disbursements from it were 14,735,926 fr. 81 c. for the same street; 11,973,418 fr. 35 c. for the central markets, and 3,677,815 fr. 35 c. for enlarging the Rue St. Martin. In a sitting a few days ago, the municipal council voted an additional 6,000,000 fr. for the Rue de Rivoli, 4,000,000 fr. for forming arcades in the portion of the street comprised between the Rue Bibliotheque and Rue des Poulies, and 1,800,000 fr. for the enlargement of the Rue Saint Denis between the Rue des Lombards and the Rue de Rivoli. Half of the expense of forming arcades in the Rue de Rivoli is, in virtue of a decree of the 27th December last, to be borne by the Treasury.

**WORSTED MANUFACTURE.**—A letter from St. Armand (Nord) says, that a merchant of Lille is engaged in forming a company with a capital of 1,500,000 fr. divided in 1,500 shares, of 1,000 fr. each, for establishing large worsted spinning mills at the former place. Three other companies, by shares, have been formed within the last month. The first, which has taken the title of "Societe des Cinq Usines du Nord," has a capital of 2,100,000 fr., and is to work the sugar manufactories of Hamage, near Marchinnes, Auby, and Saint Armand, the refinery at Hamage, and the distillery at the same place. The second, which has the sugar refineries of La Scrape, has a capital of 4,000,000 fr., represented by 16,000 shares, of 250 fr. each. It has for object the direct refining of the beet-root and raw sugars, in three immense establishments at Vitry, Corbehem, and Bremeries, where it is calculated they will turn out 3,000 loaves a day. The third, with a capital of two millions, in 4,000 shares, has taken the title of "Raftinerie de Marley-les Valenciennes," and will make 1,000 loaves a day.

**LETTERS OF CREDIT.**—The following decision reported in the *London Times*, is of importance to persons travelling abroad with letters of credit:

"An American gentleman bought for cash a circular letter of credit from a mercantile firm in the city, addressed to their agents on the Continent, and this document authorized the various houses to whom it was addressed to honor his drafts. Shortly afterward a house of the West End, which had some disputed accounts with him, lodged an attachment with the London firm on the funds which they had thus received for the sale of the letter, upon the plea that the transaction was a simple deposit, and that the money so attached still belonged to the person who had paid it to them, and that they, the garnishees or issuers of the credit, incurred no responsibility until they came under acceptance.

"It was also contended, that after the attachment was lodged, the garnishees could not accept and pay the defendant's bills, except in their own wrong. The garnishees, on the other hand, maintained that the sum handed them was the purchase money for the letter of credit; that it was as complete a sale as if the article bought had been goods; that there is no essential difference between giving an acceptance at once for the amount and an engagement to accept and pay whenever called upon, and hence that the money ceased to be the accredited party's directly he received the garnishees' engagement in exchange.

"Three points were submitted by the recorder to the jury, all of which were decided in favor of the garnishees, but the only one of any public interest was the finding by the jury that the money passed absolutely to the garnishees in exchange for their credit; that it simultaneously ceased to be the defendant's, and consequently was not attachable.

"The result is very satisfactory, since, if the suit had gone the other way, it would then be held that the article acquired, and the money paid for it, both remained the property of the purchaser—that an engagement to accept and pay is only binding if a subsequent claimant does not step in—and that a person who fancies he has a demand can, by a simple affidavit of debt, make the issuers of the credit break their engagement to the accredited party.

"Under circumstances of this kind, moreover, a traveller might find himself at the other end of Europe with his funds suddenly cut off, through the agency of a court

which takes no cognizance of the justice or injustice of the claim. The decision, in short, harmonizes with the practice of bankers who issue these documents. Any other interpretation would put an end to such credits, since no one abroad would advance upon them. It would also tend to lessen travelling, as people would have to carry all their money about with them, exposed to the chances of loss or robbery."

## MISCELLANEOUS.

**ALTERED NOTES.**—It was recently discovered in Ohio that spurious notes of the Miami Valley Bank had been issued and circulated to a large amount. The notes were surreptitiously printed from the genuine plates, of the denominations of one, five, and ten dollars, but the signatures of the president, cashier and bank register, are all counterfeited. The custody of bank plates, or such as are prepared in pursuance of the General Banking law of Ohio, is confided to the auditor, but for the convenience of the banks these plates are frequently, and perhaps generally, left in the hands of the engraver. This trust should be confided only to men of known integrity and well-known responsibility, who should be placed under bonds for the faithful charge of such property; otherwise the community may be grossly imposed upon.

In the present case it seems that some of the hands employed in the engraver's rooms at Cincinnati obtained possession of the bank plates and worked off, secretly, a large number of impressions. Other parties possessing skill were employed to fill up the names of the officers, and thus the notes obtained free circulation among the community. Similar instances have occurred at other places. At New Haven, a few years since, a like fraud was perpetrated, and the bank was compelled to withdraw its bona fide circulation from the same plates, and issue new notes entirely different in appearance. In the Ohio case, now alluded to, a legal investigation will be made, so as to ascertain where the blame should rest.

**NEWARK.**—The City Bank of Newark, N. J., is about to increase its capital to two hundred thousand dollars. The *Newark Daily Advertiser*, in noticing this fact, says:—

"In all the commercial revulsions and disasters which has occurred, our banks since their formation have maintained a stable reputation both at home and abroad. The Newark Banking and Insurance Co., established in 1804, furnished till 1812 banking facilities to this city and vicinity, its capital being \$400,000, which was increased in 1836 to \$700,000, \$508,650 of which has been paid in. The State Bank was then established, with a capital of \$400,000, which was increased in 1836 to \$700,000, \$450,000 of which has been paid in. The Mechanics' Bank was chartered in 1831, with a capital of \$500,000, which has since been entirely paid in. The City Bank commenced business in 1851, with a basis and circulation of \$78,000, and now proposes an extension to \$200,000. The aggregate capital directly used in banking will therefore shortly be \$1,736,650, a very large portion of which is employed in discounting for the accommodation of our citizens."

**INGENIOUS ROGUERY.**—A draft for about \$1,500 was drawn by a bank in Augusta, and forwarded by mail, on the 26th May, on a bank in Charleston. The firm in whose favor it was drawn, not receiving it as expected, information was transmitted to Augusta, when a duplicate of the draft was forwarded and reached here on Tuesday last. When it was presented to the bank, the holder was informed that the original draft had been received some days previously from a bank in Savannah, with instructions to place the amount to its credit, which has been done. The name of the firm in this city in whose favor the draft was drawn, had been endorsed on the back, but was awkwardly executed; and in a boy's hand. The transaction is involved in considerable mystery, which it is hoped may be soon dissipated by the active measures adopted for that purpose.—*Charleston Mercury*.

**A SECURITY AGAINST COUNTERFEITING.**—One of the most interesting and useful articles in the Exhibition of the Franklin Institute fails to arrest its proper share of attention from the throng, partly from an absence of conspicuous display and partly from a general lack of information of its use. We allude to a Dandyroll, deposited by Mr. Nelson Gavit, machine-maker, Broad-street, below Arch.

The Dandyroll is that part of a paper-making machine whose function it is to revolve against a sheet of wire, on which the pulp is deposited in a semi-fluid consistency, and by its gentle pressure give to the paper the requisite compactness of texture and regularity of thickness.

In the old process of making paper by hand, lines, letters and devices of unlimited variety were, by the ordinary operation, worked in, or incorporated in the body of the sheet, as is often seen now in what is called laid paper. As paper-making by hand was superseded by the beautiful and delicate machinery at present employed, the "water marks," as the designs are called, were abandoned, it being hitherto considered impracticable to adapt the principle of their formation to the somewhat complicated though thoroughly efficient combination of machinery, known as Fourdrinier's invention, now in almost universal use.

To introduce the "water marks" in machine-made paper has been for many years the goal of inventive genius in France, which country has given to the world all that is of value in the art; and though mechanical talent, coupled with large sums, have been devoted in France, England and Germany to accomplish the end, the success that has been achieved has not been commensurate with the exertions and expense bestowed upon it, or with the desirableness of its consummation.

The complete triumph, as regards the perfect performance, and the comparative cheapness of the improved machine, together with the economy of its operation in its destined capacity, all combine to entitle Mr. Gavit to a high degree of praise. No one can help seeing at a glance, the great security this invention will confer on all the relations of business and commerce, and it even rises to the dignity of a protection to government itself.

Banks, monetary institutions and merchants, have here a complete check against the fraudulent imitation of notes, drafts, bills, &c., while the immense issues of the National Treasury and valuable documents, such as treaties, warrants and commissions, are guarded against similar felonious operations.

The name for instance of a bank, visible in the material of a bank note, will be a more efficient safe guard than the highest reach of the engraver's art, counterfeited as it so frequently is, with astonishing precision. The Bank of England attributes much of the safety of its notes from imitation to the water-marks which they invariably contain. Though it is now comparatively easy for an expert engraver to utter false notes, working in solitude, and locking his secret in his own breast, when it becomes necessary to embark in the paper-making business, requiring, as it does, a large capital, and the employment of many competent hands, with the increased risk of detection, the counterfeiter will put his hand to other, and it is to be hoped, more moral and honest occupations.

When the vast losses which the community suffer by counterfeit and forged notes are considered, we think we do the public service by calling the attention of bankers, brokers and business men generally to this great improvement. The machine itself was in the lower saloon of the exhibition, and is designed for the security of the patent medicines of a celebrated druggist.

**MISSOURI STATE BONDS.**—We learn that Wayman Crow, Esq., of this City, has been appointed by the governor agent to sell the bonds of the State, the sale of which was authorized by the last General Assembly. The amount to be sold is small, but a better or more competent and reliable agent could not have been selected.

Mr. Crow, as Chairman of the Finance Committee in the Senate, fully understands the revenue and financial condition of the State. There are few persons, if any, who know them better. His acquaintance and business connections in the East, afford him every facility for effecting the necessary negotiations. The governor has manifested a proper regard for the interest of the State in this selection.—*St. Louis Republican.*

**NEW JERSEY.**—The Newark, N. J., *Daily Advertiser* states, that an important modification is proposed in reference to the bank system of New Jersey. The Bank Committee of the Legislature recommend an act to provide further remedies for the defects of the New Jersey Free Banking system, by requiring an affidavit from the president or cashier of any projected bank that the capital stock has been entirely paid in gold, silver or current notes; no association to go into or continue in operation till \$20,000 of securities have been deposited; every banking association now organized or hereafter organized to have at least two directors, who are residents of the place where it is located; no notes to be issued until a certificate has been made that the association has a regular banking house; the bank statements to be made to the commissioners, who shall report them to the Legislature ten days after the commencement of the session, for failure in which or their other duties the commissioners are to forfeit \$50; the compensation of the bank commissioners to be \$5 per day when in service; an affidavit signed by the shareholders to be made that they are bona fide holders of such amounts as are set down to their names, before the association can operate.

**OLD BANK NOTES.**—We have in our hands a somewhat ancient bank note, which reads as follows:

THE MIDDLETOWN BANK,  
PROMISE THE BEARER TO RECEIVE THIS BILL FOR  
FIFTY 50 CENTS,  
IN ANY PAYMENT DUE THE BANK.  
Middletown, July 1, 1816.

P. HUBBARD, Jr., Cash'r.

N. HUBBARD, Pres't.

It is printed very much as indicated above, and has been, since about the date of its issue, in possession of an old lady, *then about 65 years of age, and still living.*

**VALUE OF COMMERCIAL PAPER.**—A cashier of one of the State-street banks was asked by a member of the Legislature, a day or two since, what was the proportion of bank losses in comparison with loans? "For what length of time?" asked the cashier. The time was placed at five years; and the cashier, referring to the books, found that the bank had loaned from fifteen to eighteen millions of dollars during that time, and had lost but \$191 22. This is not only an evidence of the strictness with which mercantile paper is borrowed, but is a strong testimony to the value of the old system of banking.—*Courier.*

**VALUE OF MASSACHUSETTS BUSINESS PAPER.**—We copied yesterday from a cotemporary, a statement that one of our city banks had loaned from fifteen to eighteen millions of dollars during the last five years, and had lost but \$191 22. We have now another illustration of the safety of business paper, and of prudent management on the part of the officers of a bank. The Randolph Bank, with a capital of \$150,000, has loaned during the past seven years, between six and seven millions of dollars, *and has not lost a dollar during the whole period!* Royal Turner is President of this bank, and Seth Turner, Cashier. Its stock can but rarely be purchased. The last sale was made at 35 per cent. premium.

**STOLEN BILLS.**—An action against the Dorchester and Milton Bank has been decided in the Supreme Court of Massachusetts. The suit was brought to recover the value of a \$50 bill, which the bank alleged to have been stolen, and thereupon refused payment.

The court said, that in the case of stolen promissory notes and bills of exchange, the party seeking payment must prove that he paid value for them or came honestly by them; but in the case of *stolen* bank bills, the burden of proof is on the other party; and the defendants, to avoid payment, must show that the plaintiffs did not come honestly by them.

**DESCENT ON A BANK.**—The telegraph having announced that the "Crow Bar Bill" had finally passed on Saturday, A. Skelly, Esq., Treasurer of Jefferson County, and

the most prominent embodiment of real *simon-pure* Ohio democracy in this region, entered the Jefferson Branch Bank, in this city, yesterday forenoon. The cashier was engaged with the directors in an adjoining room. Mr. S. very soon got possession of the vault, and, of course, modern law being in his favor, helped himself to some \$5,500 in gold. The bank officers remonstrated, and warned him of the consequences, but Mr. Skelly was in possession, and keeps possession. Had the bank resisted, the new law placed it in the power of the Treasurer, with a mob at his heels, to apply force to aid him in the distraint of the taxes claimed. We trust that this irritating source of litigation and violence will soon receive its quietus one way or another.—*Steubenville Herald*.

**COPPER STOCKS.**—The improvement at the Falls of the river St. Mary, (or Sault St. Marie,) authorized by the General Government, will be the means of bringing to market a large quantity of copper ore from the regions of Lake Superior. In this branch of enterprise, Boston and Pittsburg capitalists have taken the lead. We have before adverted to the fact, that the General Government have recently made a donation of 750,000 acres of land for the purpose of constructing a canal around the Falls of St. Mary, and the work is to be commenced immediately, under the direction of the State authorities at Michigan, and will probably be completed within a period of two years, which will give an uninterrupted communication by water through the Great Lakes and the St. Lawrence, to the ocean, and copper can be taken directly from the Lake Superior Mines, and landed into Liverpool or London without transshipment. The Legislature of Michigan, at its recent session, enacted a general charter law of the most liberal character, with a view to encourage the introduction of capital for the purpose of developing the vast mineral wealth of the Upper Peninsula.

**MISSOURI.**—The following is the law authorizing the sale of the State Stock in the Bank of the State of Missouri, passed February, 1853 :

**AN ACT to secure the Seminary and Common School Fund.**

*Be it enacted by the General Assembly of the State of Missouri, as follows :*

§ 1. The governor of the State is hereby authorized, on behalf of the State, to sell to individuals or corporations, all the stock now held by the State of Missouri, inclusive of the Seminary fund, the State School fund, and the sinking fund in the capital stock of the Bank of the State of Missouri, upon the terms and conditions as follows : First, that it shall not be sold for less than its par value ; second, that it shall be paid for at the time of its transfer, in gold or silver coin, or by the surrender of an equal amount of the outstanding bonds of the State, or partly in each. If the whole or any part thereof shall be paid in cash, it may, at the discretion of the governor, be deposited in the bank aforesaid, until otherwise appropriated by the General Assembly, the bank allowing interest thereon at the rate of six per cent. per annum, while so deposited, and giving satisfactory security for the faithful return of the money.

§ 2. Before the governor shall make any sale of said stock, he shall first give thirty days' notice, in two or more newspapers published in the City of St. Louis, inviting proposals for the purchase of said stock, and it shall be his duty to accept the highest and best bid made for said stock, (not being less than par value,) and he shall have full power and authority to transfer the stock to the party or parties purchasing it.

§ 3. If the stock held by the State, in the bank aforesaid, shall be sold, immediately after the transfer thereof, the office of president and of eight directors of the principal bank at St. Louis, and the office of president and four directors of each branch, shall be vacated, leaving two directors on the part of the State for each bank, which two shall be decided by lot, and the parties purchasing the stock shall be authorized to select from their own numbers a president and directors to supply their places, who shall hold their offices until the next biennial election of directors by the private stockholders, and until their successors are chosen by such stockholders and qualified.

§ 4. This act shall take effect from its passage, and as soon as it is assented to by those owning a majority of shares of the stock held by private stockholders.

Approved February 23, 1853.

INDIANA.—A report of the Select Committee of the Indiana House of Representatives, in reference to the condition of the Bank of North America, at Newport, concludes as follows:

"It is the unanimous opinion of the committee, that every bank should be compelled to redeem its paper on presentation. Sound policy and a due regard to the interests of the people of the State, dictate that a suspension of specie payment should not, under any circumstances, be countenanced by our laws."

"The committee would respectfully suggest, that some very stringent provisions are necessary in order to compel foreign bankers to carry on a legitimate banking business within the State. There are, doubtless, a number of institutions in the State similar to those which, in the State of New York, are denominated "movable" banks. As subjects of taxation and offices for redemption they will prove almost inaccessible to the people. *The committee would respectfully recommend, that every bank be compelled to have a regular banking office—to keep said office open a certain number of hours each day—and to pay a heavy forfeit, or be subject to be put in a state of liquidation by the auditor, upon every failure to redeem its paper.*"

The Cincinnati *Price Current* states, that a demand was lately made for the redemption of \$1,500, and the accredited bank agent, or officer, at Newport, replied that his banking days were Tuesdays and Fridays; and that he would open the bank doors at 10 A. M. the next day; but upon demanding payment at the time appointed, the bills were not redeemed, and were then protested.

The *Price Current* adds:

It is proper to remark, that the paper was thrown out by the banks of the city, without a single exception; and it is still refused by these institutions, so that the brokers are not alone responsible for the result offered to the sensitive proprietors of the "Bank of North America."

*Bank of Connersville.*—The following statement shows the condition of the Bank of Connersville, on Monday, Feb. 14, 1853:

Bank notes in circulation, . . . . .	\$397,452 00
Indiana State Stocks deposited with Auditor of State, . . . . .	438,695 00
Specie on hand, . . . . .	50,697 11
Total immediate available means, . . . . .	\$489,892 11

It may not be improper to add, that the late excitement against some of the Indiana Free Banks, did not, by any means, include the Bank of Connersville. On the contrary, all the banks and bankers of Cincinnati, and all the branches of the State Bank of Indiana, have uniformly received and paid out Bank of Connersville money the same as other currency.—*Cin. Gaz.*

*New Bank Edifice at Madison.*—A correspondent of the Milwaukee *Wisconsin*, writing from Madison, says:

"I had the pleasure this morning, while looking about town, of a glance through the new bank just started here, under the title of "*The State Bank*." This institution commenced business, I learned from the president, Mr. MARSHALL, formerly of Milwaukee, on the first day of January last, under the act providing for the business of banking, passed by our last Legislature. The securities upon which this bank issues notes are state stocks, and a goodly portion of the present capital is in Wisconsin eight per cent. bonds. The banking building is one of the finest, I should think, in the State, and in its internal arrangement most admirably adapted to convenience and comfort. The Directors' room and sleeping apartment, I observed, were fitted up with a degree of elegance not usual in such offices. A fine library of standard works is conspicuous on one side of the first-named room, and the centre-table piled up with excellent periodical literature. I was particularly interested in the inspection of the repository of the treasure, the vault. This depository of gold and silver coin and printed paper valuables, is built of large blocks of cut stone, of ten inches thickness, with an air chamber, and an outer brick wall of eight inches thickness. The entrance is guarded by two iron doors, which, with the frames in which they swing, weigh between twelve and fifteen hundred pounds, nearly 3-4 of a ton. A curiously contrived pad-lock fastens the inner door, and the four ponderous bolts of the main door are held in place by one of the celebrated Hobbs' burglar proof locks."



OHIO.—The action of libel, commenced in January, 1852, by the Farmers' Branch Bank of Ashtabula vs. G. F. Lewis, claiming \$20,000 damages, has been decided in favor of Mr. Lewis, the judge (Bolden) holding the articles published to be a fair commentary on the condition and business of the bank. The courts, wisely, as we think, have everywhere shown a disposition to allow to the press the largest liberty in canvassing the conduct of the banks. Their privileges are taken a little from each of the rights of all, and as their conduct so immediately interests all, courts and public opinion have pretty much given up to the press the supervision necessary to keep them in check.—*Herald*.

OHIO LIFE AND TRUST COMPANY.—The company commenced business in the fall of the year 1835, and declared its first dividend on the 1st of January, 1836. From that time to the 1st of January, 1852, they paid to the State for taxes, the amount of \$105,250 on their dividends, besides a large amount on other property. An additional sum of \$8,000 has been placed to the credit of the State, the amount of the legal tax on the dividends in July, 1852, and January, 1853, making a total of taxes paid to the State of \$113,350! The officers of the company deny, and there is no fact opposed to the truth of their statement, that either the company or its officers, have violated or resisted any municipal, organic or State law, in any way whatever.

For the eighteen years during which the Trust Company has been in operation, up to the 1st of January, 1853, the average dividend declared and paid to the stockholders, has been 6 241-1000, or nearly 6 3-10 per cent. per annum. The company employ in the State \$2,600,000 of capital, and lends it out at 6 and 7 per cent., reaping a profit of 7 per cent. per annum; and for that is assailed as a monopoly, hostile to the interests of the people.—*Cincinnati Gazette*.

VIOLATION OF THE SUB-TREASURY ACT.—Irregularities in the administration of the Sub-Treasury Department are rumored from Washington. They are said to have occurred both in New York and Boston; and grew, in part, at least, out of the authority of the Treasury to purchase United States Stocks. The transfers for this object appear to have been at variance with the spirit, if not the letter, of the law. But so far as the office here is implicated, nothing, we suppose, was done, except under special direction from Washington.

The late Secretary, in making his arrangements for the purchase of the Government Loans, it is said, entered into contracts with two parties in Wall-street, one the president of a leading bank, and the other an extensive bond-broker, to superintend the purchases; transferring to each at the time, and of course in advance of the consideration, about \$500,000 in gold out of the New York office. This was in February. The bank president being unable to purchase the stock at the limit, subsequently returned the money. The contract with the bond-broker has been continued under the new Secretary, and part of the money duly invested, until he has probably been made aware that the whole arrangement from the beginning was and is a violation of the very stringent 16th section of the Sub-Treasury Act, as, indeed, it clearly is, when taken in connection with the whole spirit and intent of the system.

COLLATERAL NOTES.—In the Superior Court of New York, Judge Oakley recently decided a commercial case of much importance. The action was brought for the recovery of \$2,614 73, being the amount of several notes and drafts given as collateral security for a loan of \$2,000 obtained by the plaintiffs from the defendant, on the ground that the loan was usurious, and in case the loan should not be held to have been usurious, to recover \$614 73, being the excess of the collateral over the amount loaned. At the trial, the plaintiffs abandoned the plea of usury, and claimed only the excess of the amount of the collaterals over the loan, (\$2,000 with interest.) The \$2,000 was not paid at the maturity of the loan, and the defendant sold the notes, after notice, in the market, for just sufficient to cover the amount lent. The judge held that the defendant was bound to hold the collateral notes until they matured, and collect them in the usual way; and any deficiency or excess should be accounted for. In previous transactions of this description, the usage has been to sell the notes in case of default of payment on the part of the borrower. The question is a new one, never having before been brought before the courts.

LOUISIANA.—The State credit of Louisiana was used too freely in the years 1834–7, and its abuses have since hampered the State in all its financial movements. By the following remarks of the New Orleans *Bulletin*, it seems that the State is recovering from its recent lethargy :

"We are soon to illustrate in Louisiana the value of an unimpeached name and an unimpaired credit. Now is the time when we can properly estimate the true worth of that precious jewel, State credit, for now is the time we most need it. Without it, we would be powerless. Great as are our resources, encouraging as are our prospects, zealous, active, willing, able and enterprising as are the friends and subscribers of our rail-roads, we would be brought to a dead halt in all our contemplated works of improvement, had we not our credit to rely upon—a credit convertible into money to carry out to a speedy and successful consummation the great devices of wealth and prosperity which the wisdom and sagacity of our citizens have projected, and which, in the present auspicious state of things, are sure to be accomplished. If we wish to acquire an idea of the worth of credit, let us look around us; see how States have advanced in population, wealth and general prosperity, who have enjoyed this inestimable principle—how other States, with every natural advantage, but deprived of this great moral element, are without character, without means, dishonored in the world's estimation, and without the hopes or expectations of improvement."

CALIFORNIA ASSAY OFFICE.—The *Alta California* of the 16th May, furnishes the following information in reference to the operations of the Assay Office at San Francisco, and of mining matters :

For the information of the public at home and abroad we publish below the new tariff of coinage recently issued by the Assay Office in this city :

For Twenty Dollar Pieces, under 4,000 dwts., . . . . .	per cent. 2
For Twenty Dollar Pieces, from 4,000 to 8,000 dwts., . . . . .	1½
For Twenty Dollar Pieces, over 8,000 dwts., . . . . .	1½
For Ten Dollar Pieces, under 8,000 dwts., . . . . .	2½
For Ten Dollar Pieces, for 8,000 dwts. and over, . . . . .	2
For melting and assaying in bars, . . . . .	1
For large amounts assaying in bars, . . . . .	0½

It will be apparent on examining the above, that the issue of ingots will for the present cease, as no person would pay the same per centage for coining them (1½ per cent. the rate,) as for twenty dollar pieces. We may therefore reasonably congratulate ourselves on having soon a circulating medium, without any of the objections so long and strenuously urged against the octagons.

The machinery made use of by Messrs. Curtis, Perry & Ward, is of the same description, made by the same mechanics, and is as perfect in all its parts, as that of the United States Mint, at Philadelphia. The capacity of their press such as to enable them to coin \$360,000 in ten dollar pieces, and \$720,000 in twenties, per day : and it keeps up with their facilities for drawing, cutting and adjusting, by only being worked a few hours per day. The mechanical execution of the coin itself is fully equal to that of the U. S. Mint, as will be seen by a comparison of the coins. Too much credit cannot be awarded to Messrs. Curtis, Perry & Ward, for the radical change in the facilities for coinage offered by them to the people of this State, while, at the same time, it is advantageous to themselves personally.

Accounts from all parts of the State represent a promising state of affairs. The mining population are doing, as a general thing, extremely well, and in many localities are reaping as large reward for their labor as any have received in times past. We hear of old localities being redug, and yielding as richly as when first turned over, and new and profitable leads and gulches are discovered every day. At the same time that we have such gratifying intelligence from the mining districts, we are assured on all hands, that the spring business will be unusually large. Though weighing these glowing prophecies with many grains of allowance, we still hope in the course of next month to have the pleasure of noting a more active market for many descriptions of merchandise.

It is also stated that the present Legislature of California have suspended the payment of the State three per cent. (per month) bonds, of which only a small portion remain unpaid.

**RAIL-ROADS.**—A bill has passed both branches of the Louisiana Legislature, and only awaits the signature of the governor to become a law, authorizing a subscription in behalf of the State to the capital stock of the New Orleans and Jackson, the New Orleans and Opelousas, and the Shreveport and Vicksburg Rail-Roads. This bill makes it the duty of the treasurer to subscribe, on behalf of the State, one-fifth of the stock of the several companies within ten days from the passage of the act. The amount of the authorized subscription to the Great Northern Road is \$1,600,000; that to the Great Western, \$1,200,000; and that to the Vicksburg and Shreveport Road, \$800,000—all of which is to be paid by the bonds of the State as fast as the instalments fall due. For the payment of said bonds and accruing interest, the shares of stock subscribed, and all revenues that may be derived therefrom, are set apart to remain forever pledged.

**LATE SUB-TREASURY OPERATION.**—The new interpretation of the Sub-Treasury law is creating great excitement, and will probably give rise to a warm debate in the next Congress. It is maintained here, by lawyers of great repute, that it is puerile for the officers of the Federal Government to refuse to receive or pay out bank notes in the United States, but to do both within a marine league from shore. The law is general, and does not admit of such a distinction. A late government transaction, in particular, is severely commented upon in commercial circles.

The Sub-Treasury, having occasion to use funds in England, bought a draft on the Bank of Liverpool, payable sixty days after sight. This draft was drawn by the Bank of Charleston, endorsed by Messrs. Wiley, Leroy & Co., of this city, and had been sent to the "Bank of the State of New York," in Wall-street, where it was purchased. It is contended that this is an infraction of the Sub-Treasury law, as recently construed in Washington. The transaction originated in South Carolina, and from its commencement to the fulfilment of the engagement to pay, not less than seventy-five days must intervene. Every draft is but a *contract* to deliver money at a particular place on a fixed day, differing in nothing from a contract to *carry* money but in the substitution of one coin for another. And if it is unlawful to draw from one place in the United States on another, there is no reason why a draft from a bank in the United States on a bank out of the United States, and negotiated or sold by another bank in the United States, should be lawful. It is maintained that this is "whipping the devil round the stump." The old construction of the Sub-Treasury law, employing transfer drafts, but *granting no more time than is absolutely necessary to complete the transaction*, was first adopted by the late Judge Woodbury, and was continued under Messrs. Ewing, Forward, Robert J. Walker, Meredith, and Corwin.

**AUSTRALIA.**—The shipments of coin to Australia from English ports have diminished. There were on the 19th May, 41 vessels loading for Australian ports, with an aggregate tonnage of 26,000. The last advices from Sydney states, that gold had advanced in value to £3 17s. per oz., while in London the rate is £3 17s. 6d. This change in the rates, and a more favorable condition of exchanges on England, will obviate the necessity of further shipments of coin.

The case of Col. Fremont's protested bills on the United States Government, on which he was arrested on his visit to England, was before the English Court of Exchequer on the 16th May. Government having made provisions for payment of the bills, the question at issue was the rate of interest to be allowed. The plaintiffs claimed that interest should be paid at the California rates current when the bills were drawn, which they called witnesses to prove were from two and a half to ten per cent. per month. The defendant's counsel insisted on the rates in Washington where the bills had been made payable, which are six per cent. per annum. The judge expressed an opinion that the Washington rate only could be recovered, but he directed the jury to find what the rate was in California, in order that the judgment of the full court might be taken on that point. The jury found the average rate of interest in California to be twenty-five per cent. per annum, and the verdict was entered for the amount of the bills, with interest at the Washington rate of six per cent. per annum, leave being allowed to the plaintiff to move to increase the amount to eight per cent. At the meeting of the Court of Banco, on the 9th May, the Attorney-General made this motion, and a rule *nisi* was granted.

**BANKS.**—We clip from the *Knickerbocker* the following; it has a sting to it:—  
 “In these latter days, when the States are passing free banking laws, and new banks are springing up wherever

‘Three chimney-smokes perfume the air,  
 Contiguous to a steeple,’

the following anecdote, ‘founded’ shortly after the passage of the free banking law in this State, (the pioneer of laws creating free banks elsewhere,) may hit some fancy as it has ours. A gentleman named Roy, a good deal of a speculator, observed to a friend: ‘I am about to get up a bank: what do you think the people will say to *that*, eh?’ ‘I think they will call you ‘*Rob Roy*’ forever after that!’ was the cool and cutting reply.”

**A PHILOSOPHER.**—One of those unmistakable vendors of plaster of paris busts and figures entered the office of a cotton broker yesterday with a new bust, representing a Spanish muleteer or water-carrier, laughing. The expression is irresistible; the laugh is sympathetic; it is impossible not to feel merry in its presence.

“How much is it?” said the broker.

“One dollaire!” said the unmistakable.

“Put it up there,” said the broker, pointing to a stand.

“What did you get that trash for?” said a surly old merchant to the broker, who was admiring his purchase.

“Why, d’you see, when cotton is up, I’ll turn that fellow’s face to the public, and we’ll all laugh together. When cotton is down, I’ll turn his face to the wall, where I wish mine was on such melancholy occasions.”—*N. O. Pic.*

**LOUISIANA.**—The *N. O. Commercial Bulletin* states, that a bill prohibiting the circulation of bank notes under the denomination of five dollars, has passed both branches of the Legislature of Louisiana, and was approved by the governor on the 8th April. The bill declares that it shall be unlawful for any individual, or association of individuals, authorized or unauthorized, or for any body corporate or politic, to issue or cause to be issued any bank or promissory note or other instrument of writing, to be used as money, or as a circulating medium, in less amount than five dollars. The penalty for infringement of this act is a fine of twenty dollars for each and every offence, recoverable, with costs of suit, in the name and for the use of the person who shall prosecute for the same.

The penalty is not to apply to those who pay out or receive in payment any note or notes, so prohibited, for six months; during that time it only applies to those issuing or causing to be issued, the said small notes—that is, to the bankers.

This law will effectually stop the emission of paper currency of small denomination. Such appears to be the general wish of the State and community.

**Citizens’ Bank.**—The *Bulletin* also states, that a bill has passed the Legislature of Louisiana, authorizing the Citizens’ Bank of New Orleans to increase its active capital one million dollars, by converting into cash shares to that amount now mortgaged to the bank. The bill gives to the Board of Directors the power to raise an additional capital not exceeding \$1,000,000, by obtaining a payment in cash of 10,000 out of the 144,000 shares, composing the capital stock of the bank; and for that purpose, the Board are authorized to set apart, to be disposed of in a prescribed manner, a proportion of the stock held by each stockholder, not exceeding one out of every fifteen shares; which shares, so set apart, together with such proportion of the stock now held by the bank as will make up 10,000 shares, are to be paid in full at the time and in the manner to be determined by the Board, in order to constitute a cash stock.

**CANADA.**—In the Canadian Legislative Assembly, on the 8th inst., the following resolutions were carried:

1. That it is expedient to provide, that any chartered bank in this Province, the total amount of whose bank notes to be issued and in circulation at one time is limited to the amount of its paid up capital, may issue and have in circulation at any time any further amount of such bank notes, not exceeding the sum which such bank shall then have on hand in gold and silver coin or bullion, and in debentures receivable in deposit for registered bank notes, under the laws regulating the business of banking; the value of such debentures to be reckoned at par.

2. That it is expedient to provide that the duty payable in any bank, under the act 4 and 5 Vic. cap. 23, on its bank notes issued and in circulation, shall be calculated and paid only upon the sum by which the average amount of its bank notes in circulation during any period shall have exceeded the average amount of the gold and silver coin and bullion, and of such debentures as aforesaid, which such bank shall have had on hand during the same period.

3. That it is expedient to amend the acts 4 and 5 Vic. cap 29, and 14th and 15th Vic. cap. 70, in conformity with the foregoing resolutions.

NEW ORLEANS.—We copy the following report of a decision in the case of *Alexander vs. the Bank of Louisiana*, in the Second District Court of New Orleans.

Plaintiff is the syndic of Peter Conrey's creditors, and brought suit to set aside an act of mortgage, by which Conrey hypothecated certain real estate in favor of the Bank of Louisiana, to secure the payment of an alleged loan of \$75,000, for which he gave a promissory note. Plaintiff alleged that at the time when the act of mortgage was executed, Conrey was insolvent, which the directors of the bank well knew, and that the mortgage was given on account of Conrey's previous indebtedness to the bank, and not for any bona fide loan given at the time of its execution. In short, it was alleged that the mortgage was executed in fraud of the rights of the general creditors, and to give the bank a preference.

Judge Lea, after a review of the testimony, concluded that the transaction was not what it had appeared to be upon its face. It appeared that the money was temporarily loaned, and was appropriated not only to the extinguishment of Conrey's matured obligations to the bank, but also to the payment of obligations not matured, to the extent of \$43,000. So far as the proceeds were appropriated to the payment of immature obligations, the act should be set aside.

Conrey was heavily indebted to the bank, and required facilities to the extent of \$75,000. He was, at that time, wholly unable to pay his debts. The effect of the transaction with the bank, if maintained, would be to abstract from the aggregate of Conrey's assets property to the value of \$75,000, which would have been applied in liquidation to the payment of all the creditors proportionally. The defendants should have informed themselves of the condition of Conrey's affairs, which they could have learned from his books. The creditors should not suffer for their mistakes.

The court therefore gave judgment in favor of the syndic, annulling the act of mortgage as to its effect against the creditors of Conrey, so far as it secures the payment of \$43,000, with discount thereon, reserving the rights of the bank as an ordinary creditor.

PENNSYLVANIA FINANCES.—In reference to the new five per cent. loan of the State of Pennsylvania, and to the deficiency of bank capital in that State, the *Philadelphia North American* says:

But there is one circumstance connected with this matter, deserving of a passing notice. To answer the purposes of the State, this loan must be taken immediately, and upon good terms. Who stand ready with funds, whenever such calls are made, and to whom does the State government look first, of necessity, for them? The answer is obvious—the banks of Philadelphia. Yet, while the wants of our business community are cramped for lack of the requisite banking facilities, and the government occasionally diminishes what we have of actual capital by these loans, the same authority obstinately refuses all applications for charters for additional banking capital, and even seems reluctant to renew the charters we already have. This is unreasonable folly, fraught with mischief to a community, which gives liberally to the State and receives precious little but kicks and cuffs from it. Our banking capital is ridiculously inadequate to the wants of the community, and the unavoidable consequence is, that while the enterprise of other commercial capitals has ample scope and backing for its operations, our business concerns are embarrassed at every turn, and even our most substantial men are sometimes refused at a bank because the institution cannot accommodate all its customers.

*The Tax on Specie.*—We perceive, by the *Panameno* of Sunday, that the new law relative to levying a tax of ten reals a pound on all specie conveyed across the Isthmus, has already passed the first reading, and at the second reading, on the 7th May, Sra. Gonzales and Fabriga demanded to have their votes recorded against the

measure. "We do not doubt," says the same authority, "that all the other senators and representatives of the provinces of the Isthmus, and those who are acquainted with it, will also offer a strong opposition to the measure."

We presume, however, that the opposition of these gentlemen will be but of little avail. The hope of raising a revenue with such facility, without risk, entirely levied upon the foreign trade of the Isthmus, is too great a temptation to be resisted; but we can easily foresee that in this the sapient projectors of the law will be disappointed, from the simple fact that the specie will find some other route between the two oceans.—*Panama Star*, June 7.

CONNECTICUT.—The Annual Report of the State Treasurer of Connecticut furnishes some interesting items relative to the savings' banks of that State. A tax is levied on deposits in these institutions, which operates injuriously upon their depositors. The State is out of debt, and the tax seems to be the more unnecessary. We learn from the *Hartford Times*:

The tax on deposits in savings banks, is one-eighth of one per cent. The aggregate amount of these deposits last July was \$6,965,762 42, or near seven millions of dollars. The largest deposit was in the savings bank of this city, amounting to nearly two millions of dollars. The New Haven Savings Bank had nearly one million. The Young Men's Savings Bank at Norwich, had something over one million; at Bridgeport, over half a million; at Middletown, within a fraction of one million. These were the largest. The aggregate tax on all these institutions in this State, (thirty-four,) amounted to \$8,707 19. Avails of courts, \$1,626 77; of forfeited bonds, \$1,556 60.

The amount of tax received from railway companies was \$29,272 35. Of this the largest sum was received from the Hartford, New Haven and Springfield Company, viz., \$8,987 10. The next largest sum was from the New York and New Haven Company, viz., \$8,709 50.

From bank stocks, non-residents, \$3,766 42; from non-residents in towns in this State, \$706 81. Bridges and turnpikes, non-residents, \$71. Insurance stock, non-residents, \$551 97. Premiums on foreign insurance, \$2,207 97. Tax on Mutual Insurance Companies, \$2,071 97, of which the Connecticut Mutual Life Insurance Company at Hartford, paid \$1,616 65. Bank dividends, \$38,553. The State tax, paid by towns, amounted to about \$58,000.

The aggregate amount of cash transactions by the Treasurer, during the year, appears to have been \$656,372 96.

SAN FRANCISCO.—The *Alta California* states, the San Francisco City Bonds now in the hands of bondholders, are about \$1,500,000 of which 200,000 are held in California, and the remainder in New York, and the Atlantic States and Europe. They draw ten per cent. interest, by coupons, payable at such place as the fund commissioners may elect, and are at present redeemed in San Francisco. Messrs. Page, Bacon & Co. had offered to redeem at New York, or any other Atlantic city, for two years, provided the interest was paid to them as fast as it was collected in San Francisco. This offer was declined by the commissioners, but it is intimated that it would have been accepted had the tender been for the whole twenty years which the bonds have to run.

Private advices from London state, that there is a marked increase in the demand for money. Three per cent. is the lowest quotation for any description of loans. We have no doubt that the Bank of England will advance the rate of discount to four per cent. before the end of the present year.

The prospectus of the Mediterranean Electric Telegraph Company has been issued in London with a proposed capital of £300,000, in 30,000 shares, of £10 each, the greater part of which are already appropriated. The object of the company is to unite Europe with Africa, the East Indies and Australia. The distinguished auspices under which this undertaking appears before the public, the highly important and practicable results which it seeks to obtain, and the amount of interest to be paid to the shareholders, cannot fail to render it a desirable medium for investment.

## BANK ITEMS.

**MASSACHUSETTS.**—The National Bank, chartered by the last Legislature, has been organized at Boston, with a proposed capital of \$300,000. President, John H. Wilkins, Esq. Cashier, Charles B. Hall, Esq., late Treasurer of the Commonwealth.

**Boston.**—The Broadway Bank will commence business at an early day, at South Boston. Capital \$100,000. President, Isaac Adams, Esq.

**Cambridge.**—The Cambridge City Bank will go into operation in Cambridgeport, in a few weeks. Capital \$100,000. President, John Livermore, Esq. Cashier, Edward Richardson, Esq.

**Cambridge.**—The Lechmere Bank, at East Cambridge, is in process of organization, with a capital of \$100,000. President, Edmund Boynton, Esq.

**Stockbridge.**—D. R. Williams, Esq., has been elected Cashier of the Housatonic Bank, in place of J. D. Adams, Esq., who is appointed Cashier of the Pittsfield Bank, Mass.

**Boston.**—The Stockholders of the Eliot Bank, chartered at the last session of the Legislature, met on Saturday, June 11th. William A. Howe was elected President of the Bank. The capital of the Bank is fixed at \$300,000.

**Quincy.**—A meeting of the Stockholders of the Mount Wollaston Bank was held at Quincy on Monday, June 13th. A Board of Directors was elected, of whom Charles Francis Adams, Esq., was elected President.

**The Webster Bank.**—The Stockholders of the Webster Bank met at Boston on the 16th of June. The following gentlemen were elected Directors: William Thomas, George B. Upton, Lewis W. Tappan, H. H. Hunnewell, William A. Crocker, James M. Beebe, William F. Wild, John M. Forbes, William B. Bacon, George H. Kuhn. On the same day William Thomas, Esq., was elected President, and Solomon Lincoln, (recently Bank Commissioner,) was elected Cashier. About \$1,000,000 (or two-thirds) of the capital is owned by incorporated institutions.

**Lowell.**—The Wamesit Bank, at Lowell, will commence business at Lowell shortly. Capital, \$100,000. Cashier, Charles A. Sherman, Esq.

**Merchants' Bank.**—The stockholders of the Merchants' Bank, Boston, have accepted the act of the Legislature increasing the capital of the bank two millions of dollars. One million of dollars, divided into ten thousand shares, is to be paid in on the 3d of October next, and the remaining million of dollars at such time or times thereafter as the Directors shall order at some future period. The new shares are to be distributed among the stockholders in proportion to the shares held by them respectively.

**Counterfeit and altered Bank Bills.**—Hereafter, the Suffolk Bank, under authority of an act of the last Legislature, will stamp with red ink, in large letters, on the face of every counterfeit passing through that institution, the following words:

COUNTERFEIT.

SUFFOLK BANK.

W. G.

All altered bills will be stamped in a similar manner, as follows:

ALTERED BILL.

SUFFOLK BANK.

W. G.

**New Bedford.**—The Directors of the Merchants' Bank, of New Bedford, Mass., to relieve the Hon. John A. Parker from a part of his labors, have authorized a member of the Board of Directors, Edward L. Baker, Esq., to affix to the bills of the bank the signature of the President. J. B. CONGDON, Cashier.

**NEW HAMPSHIRE.**—The State Capital Bank has commenced business at Concord, with a capital of \$100,000.

**NEW YORK.**—A new bank has been organized at Auburn, under the name of the "Auburn City Bank." Capital, \$200,000. The following are the names of the Directors:

L. Hopkins, J. Burt, A. Miller, F. L. Sheldon, J. C. Derby, G. W. Leonard, H. Howland, C. Standard, B. Tuttle, H. B. Hewett, G. Underwood, I. Briggs and Wm. Allen.

The bank is designed to go into operation about the 25th July.—*Cayuga New Era.*

**Albany.**—Two additional banks will soon be in operation at Albany.

The "Union Bank" is already organized, with a capital of \$250,000, and will commence business in a short time.

"The Bank of Commerce" will also soon be in operation, with a capital of \$250,000, of which \$130,000 has already been taken.

**OHIO.**—The Quarterly Statements of the various Banks in Ohio for the month of May, have been made, of which we furnish a synopsis, adding a similar statement for May, 1850:

LIABILITIES.			ASSETS.		
	May, 1850.	May, 1853.		May, 1850.	May, 1853.
Capital, . . .	\$7,824,842	\$7,137,871	Notes and Bills Disc'd, . . .	\$16,329,302	\$18,753,321
Circulation, . . .	10,184,462	11,245,367	Specie on hand, . . .	2,745,469	2,481,787
Safety Fund, . . .	1,205,070	1,356,766	Notes of other Banks, . . .	1,256,794	1,652,583
Due other Banks, . . .	1,085,628	1,934,797	Due from other Banks, . . .	862,376	1,418,726
Due Depositors, . . .	4,451,591	7,594,813	Eastern Deposits, . . .	1,879,714	2,337,713
Surplus Fund, . . .	669,865	719,298	Cash Items, . . .	44,227	138,643
Bills Payable, . . .	371,444	299,941	Bonds with Treasurer, . . .	2,108,023	1,222,060
Discounts, &c., . . .	58,037	77,903	Real and Personal Estate, . . .	422,964	350,135
Dividends unpaid, . . .	221,745	195,415	Miscellaneous, . . .	531,508	956,153
Miscellaneous, . . .	108,038	355,740	Safety Fund, . . .	.....	874,936
<b>Total Liabilities,</b>	<b>\$25,630,267</b>	<b>\$30,913,371</b>	<b>Total Resources,</b>	<b>\$25,630,267</b>	<b>\$30,913,371</b>

The severe tax laws of Ohio, adopted within the last two years, have had a depressing effect upon the banking system and facilities of that State. It will be seen by the above table, that the bank capital of Ohio has actually diminished within the past three years. The specie and State Bonds have also decreased. The item of circulation has increased only ten per cent.; individual deposits, 75 per cent. The contrast with the progressive movements in other States is quite marked. While New York, Kentucky, Virginia, and other States, have increased their banking facilities from 50 to 100 per cent., Ohio is taking a retrograde step. The result is attributable entirely to the unfavorable legislation that has taken place in that State, and the vexation and litigation to which it has given rise, and which are not yet ended, will serve to drive away not only the capital held by their own citizens, but that of non-residents.

It is well known that the capital of the Ohio Life and Trust Company, of the Lafayette Bank, and other banks in Cincinnati and other portions of Ohio, has been largely held in New York and other Eastern cities. The tax law of 1851 is so oppressive, that several of the banks have opposed it in the courts, while others have concluded to go into liquidation, and place their means where the law of contracts is more strictly adhered to, and where capitalists are not looked upon as the enemies of the poor man and laborer.

**NEW JERSEY.**—There is some difference of opinion among the New Jersey people as to the operation of the Interest Law of 1852. It seems this law was intended to operate only in the vicinity of New York, by allowing seven per cent. interest on contracts instead of six. The Legislature would have done more wisely in extending the operation of the law to the whole State. The new law is as follows:

A supplement to an act against usury, approved April 10th, 1846.

Be it enacted by the Senate and General Assembly of the State of New Jersey, That upon all contracts hereafter made in the city of Jersey City, and in the township of Hoboken, in the county of Hudson, in this State, for the loan of or forbear-



ance or giving day of payment for any money, wares, merchandise, goods or chattels, it shall be lawful for any person to take the value of seven dollars for the forbearance of one hundred dollars for a year, and after that rate for a greater or less sum, or for a longer or shorter period, any thing contained in the act to which this is a supplement to the contrary notwithstanding: provided such contract be made by and between persons actually located in either said city or township, or by persons not residing in this State.

And be it enacted, that this act shall take effect immediately.

Approved March 25, 1852.

CONNECTICUT.—The report of the Bank Commissioners of Connecticut to the Legislature, upon the condition of the Woodbury Bank, and the Eastern Bank at Killingly, shows a hopeless state of things for the auditors of these institutions. The commissioners say:

In the month of March last these two institutions failed, and were placed in the hands of receivers for a final settlement of their affairs. Their failure was occasioned by a large amount of their assets being in the hands of W. E. Chittenden, a broker in New York, who suspended payment, and whose collaterals, deposited with them as security for his indebtedness, proved inadequate for that object. He was not only indebted to them on a general account, but a large amount of their paper which was due in New York, and placed in his hands for collection, was also appropriated to his own use and lost to the banks. A further statement in relation to these banks, for reasons connected with the security of their creditors, we do not propose to submit at the present time.

On the 12th of March last, the affairs of the bank were found to be in such a condition, by one of the undersigned, in consequence of its connection with W. E. Chittenden, *who had failed*, that it was caused to be closed, and on the 14th of the same month, a formal injunction was placed upon its proceedings, by Judge Waite, of the Supreme Court of the State, and two receivers appointed to settle up its affairs.

Combining W. E. Chittenden's account on the regular and secret books of the Bank, (the items in the secret book amounting to about \$90,000,) and it may be stated thus:

Whole amount charged, . . . . .	\$111,187 21
Notes and bills for collection, . . . . .	69,225 16
Acceptances, . . . . .	20,142 45
Private account on ledger, . . . . .	436 25
<b>Total, . . . . .</b>	<b>\$200,991 07</b>

The notes and bills which were placed in Chittenden's hands for collection were all pledged as collaterals, or otherwise used by him for his own private use. Out of the whole amount of \$69,225 16, which he held at the time of his failure, the receivers have only obtained a note of \$250.

They add, that Chittenden had entire control of the bank; that he sent specie to its vaults in time for their examination, with instructions to have it returned as soon as the examination was closed; and they conclude as follows:

But we have already given as full an exposé of the origin and end of this *rotten concern* as circumstances demand. A minute statement of the present assets and liabilities of the bank can only be known when the receivers make up their final report.

The *Hartford Times* further adds:

When Frederick Chittenden resigned the Presidency of the Killingly Bank in January, he took the Presidency of the Bank of Litchfield County, organized under the General Banking Law, with a capital of \$200,000, all of which was paid in. In their regular report, the Commissioners say that this bank commenced business on the 31st of January, 1853, and they also report that it has "a suspended debt of \$53,313 81," or more than half the amount of its capital. They also report that there is due to it from W. E. Chittenden, of New York, precisely the same sum of \$53,313 81!

*Fractional Bills.*—The circulation of Fractional Bills is rapidly diminished in this vicinity, and hundreds of dollars of these bills are being returned through the brokers to those banks that issued them. We understand that the Providence banks are very

happy to have these bills returned, as there is a large demand for them at the West, where they are used in paying the laborers on the rail-roads now being built. One bank has an order for \$10,000 worth of these bills, and have employed a number of extra hands to prepare them for circulation. The issue, so far, has proved highly successful and profitable.—*Boston Traveller*.

**RHODE ISLAND.**—The Atlantic Bank, at Providence, was organized on the 6th of June, when Hiram Hill, Esq., was elected President, and C. M. Stone, Esq., Cashier.

*Providence.*—At a meeting of the Directors of the State Bank, June 6th, Duty Evans, Esq., was elected President, and C. R. Drowne elected Cashier, in place of Thomas H. Rhodes, Esq., who declined a re-election.

*Providence.*—At a meeting of the stockholders of the Grocers and Producers' Bank, June 7th, A. B. Dyke, Esq., was elected President, and Thomas A. Doyle, Esq., Cashier.

**CONNECTICUT.**—Henry A. Perkins, Esq., was, on the 9th of June, elected President of the Hartford Bank, in place of David F. Robinson, Esq., who declined a re-election, after holding the office for fourteen years. Mr. Perkins has been connected with the institution upwards of twenty-five years.

*Stonington.*—The Hartford *Daily Times* states, that "the committee appointed to investigate the affairs of the Ocean Bank have reported, and their report, with a bill annexed, has been ordered to be printed." We understand that the committee censure the officers of the bank for issuing bills on the strength of such deposit as the President's check, which is allowed to remain in the Bank. But they say that the checks of Mr. Williams, President of the Ocean Bank, were good, and would have been paid had they been presented. They coincided with the Bank Commissioners, that the law authorizing circulation upon deposits, ought to be repealed, and their bill provides that no bank shall issue bills to a greater amount than 25 per cent. above its capital stock, together with its surplus earnings or fund actually on hand."

*Woodbury.*—It is stated that arrangements have been effected with Mr. Chittenden, late President of the Woodbury Bank, whereby the circulation of that institution will be redeemed. It is now received at par, for goods, in that place.

**VIRGINIA.**—John G. Meem, Esq., has been elected President of the Branch Exchange Bank of Virginia, at Lynchburg. This institution is now in operation.

*New Orleans.*—William P. Grayson, Esq., was, on the 18th of May, elected Cashier of the Bank of New Orleans.

**SOUTH CAROLINA.**—The Bank of Chester has been organized, by the election of a full Board of Directors, of which James Hemphill, Esq., was chosen President, and John A. Bradley, Esq., Cashier.

**NORTH CAROLINA.**—The Bank of Charlotte, N. C., has been organized under a recent charter. H. B. Williams, Esq., President. William A. Lucas, Esq., Cashier.

**GEORGIA.**—Edward Padelford, Esq., having resigned the office of President of the Marine and Fire Insurance Bank, at Savannah, on the 14th June, Elias Reed, Esq., has been elected his successor.

**PENNSYLVANIA.**—In obedience to the law which requires six months' public notice of any intended application to the Legislature for new banks, or for the extension of the charter of old ones, the Bank of Pennsylvania, of this city, gives notice that it will apply at the next session of our Legislature for a renewal of its charter, with the same name, powers, privileges and location as under its present charter, and for a partial restoration of its former capital to the amount of \$75,000, so that the whole capital shall be \$300,000 under the new charter. We have heard it intimated that applications will be made for two or three new banks in this city, and that among other reasons urged for granting the applications, the ground will be taken that the present banks enjoy a monopoly of the business, and secretly direct their efforts to defeat any increase of banking capital. The Ledger, too, will oppose any extension of the banking capital of the State, and rejoices to have so efficient an ally in the issue as the existing banks. Together, we hope effectually to stay the further exten-

sion of special privileges; this done, we will try what can be done towards lopping existing banks of their more objectionable features. Thoroughly pruned of their more odious features, so that no more money can be made at banking than at other legal pursuits, the Legislature will no longer be besieged with applications.—*Philadelphia Ledger*.

**FARMERS AND MILLERS' BANK.**—This new Bank has at length received its strong-box, and is ready to go on with business in all its branches. Its owners are the following gentlemen from abroad: Messrs. G. W. Peckham and S. H. Alden, late of Albany, N. Y., N. C. Cleveland, of New York, and C. D. Nash, of Middlebury, Vt., together with Messrs. J. A. Hoover, J. W. Medbury and M. B. Medbury, of this city—all of them persons of well established business reputation.

The first issue of bills will be of \$50,000, secured entirely by State Stocks, and the amount will be increased as rapidly as business will warrant.

The officers of the bank are as follows:

N. C. Cleveland, President, J. A. Hoover, Vice President, C. D. Nash, Cashier.—*Milwaukee Sentinel*.

**MARYLAND.**—We learn from the Howard Gazette, that a general meeting of the Stockholders in the Patapsco Bank was held at the Banking House, Elliott's Mills, on Monday last, when it was unanimously resolved to close up the affairs of the bank, and give notice to all interested to draw their deposits from it before the 1st day of July next, after which they will be paid off in Baltimore. Notes falling due after the 1st of July, will not be collected by the bank. A final dividend of fifteen per cent. was also declared upon the shares. We also learn from the Gazette, that a new bank, to be called the Bank of Howard County, is about to be established at Ellicott's Mills. Books of subscriptions to its capital stock will soon be opened.

#### ENGLISH MONEY MARKET.

In reference to the English money market, the London *Economist* of the 11th of June says:

"The returns of the Bank of England, last week, showed a decrease in the public deposits, and they show this week a still larger decrease; and last week the decrease was the consequence of the government having paid in cash the first portion of the exchequer bills for June, the parties holding which desired to have money for them instead of renewing them. Further payments on the same account have continued this week, to the extent, in all, of £3,110,000, which will take so much of the public money out of the bank, and transfer it to private hands. It will not be withdrawn from circulation they can make more of it than by allowing it to remain invested in exchequer bills. The private deposits, it will be observed, have increased almost as much as the public deposits have decreased, but this is not likely to be the case with the large sum which the accounts next week will show has been withdrawn from the bank. The large advances on securities, which the increase of them denotes, were most probably made before the rise in the rate of interest took place, and the private securities in the bank will not continue to increase, unless the market rate of interest should rise above the bank rate. The great rise which has ensued in the value of the exchequer bills is the consequence of taking £3,000,000 of this very useful security out of the market, and offers some advantages to the government, if it choose to avail itself of them.

"There is plenty of money to be had at  $3\frac{1}{4}$  per cent., so that the general rate in the money market is under the bank rate, but at present, public attention is so much occupied with the impending dispute between Russia and Turkey, that even money transactions occupy only a secondary place in consideration.

"There is no alteration in the prices of silver, but it is expected that the terms of the East India Company for bills will be lower, and that this will reduce the price of silver.

"There are no other alterations in the exchanges, than the terms for St. Petersburg are a little lower.

"The funds have been depressed all the week, in consequence of the dispute between Russia and Turkey, the results of which are so uncertain, that they cannot be discounted. It has also had the effect of suspending business on the Stock Exchange, and money is very abundant there, with no employment for it. The funds were a shade firmer at the opening, but the consequence of a rumor that the Russian squadron had sailed from Sebastopol, and that it might possibly reach Constantinople before the combined French and English squadrons, they declined at the close, and consols were for the account 98, sellers."

## Notes on the Money Market.

NEW YORK, JUNE 25, 1853.

*Exchange on London, at sixty days' sight,  $9\frac{1}{2}$  @  $9\frac{1}{2}$  premium.*

THE money market remains quiet, with abundant facilities for the negotiation of prime business, paper, at 7 per cent. For loans repayable on demand, the current rate is 7 per cent., with an occasional transaction at 6 or 6½.

There has been a very steady demand for State loans, but the amounts upon the market have been small during the month. New York six per cents. of 1867 are worth 121; Ohio six per cents. of 1875, 115; Pennsylvania five per cents., 96½ to 97½; coupon bonds, 100½; Kentucky six per cents., 1869—1872, 110½; Maryland six per cents., 109 to 109½; Alabama five per cents., 95; Tennessee six per cents., 1892, 107½ to 108½; Virginia six per cents. of 1886, 108 to 109; Missouri, 104½ to 105½; North Carolina, 108½ to 109½; Georgia, 109.

For rail-road bonds of the first character there is a steady demand, both for foreign and domestic account. Erie R. R. first mortgage bonds, 117½ to 118; Hudson River R. R. first mortgage bonds, seven per cents., 108½ to 109; Reading R. R. six per cent. bonds, 90 to 90½, and mortgage bonds, 98 to 98½; Michigan Central R. R. eight per cents., 118½; Michigan Southern R. R. seven per cents., 105½.

The advices from London, to the 8d instant, state an advance of the rate of interest by the Bank of England, to 3½ per cent. The advance is commented upon by the "London Times" of the 8d instant. The bank is censured, in some quarters, for taking this step, as prejudicial to trade and commerce. But the change has been for some time anticipated in England, and the change is fully sustained by the condition of commercial affairs throughout Great Britain.

The bank owes a duty to its stockholders, in exacting as high a rate of interest as their customers are willing to pay. There has been, for some months past, increased activity in every department of trade, commerce and manufactures; and after a year of stagnation, with money dull at two per cent., it is now found that the funds of the bank can be employed to a better profit.

Independently of the feeling of self-interest which governs the bank at all times, to a certain extent, this powerful institution is influenced by a desire to check the sudden and immoderate growth of speculation which has been observed for some months past. England has been resorted to by Turkey, Spain, Peru, Austria, and by other governments, in the negotiation of new and heavy loans. It is known, too, that the influx of American securities into the London market has been greater during the last twelve months than at any period since 1835-6. These drafts upon British capital, for account of new mining enterprises, continental rail-roads, manufacturing concerns, government deficits, &c., have together created a demand for money, which promised to be followed by still larger demands.

There is another reason for the advance in the bank rate, viz.: the unfavorable prospects of the English and Continental harvests. The commercial circulars confirm prior advices as to the prospective demand for grain from the United States. Combining these together, we think the bank will be found to be correct in its position, and we shall not be surprised if the rate is soon further advanced to four per cent.

Of the prospects for business, the San Francisco *Price Current*, of May 31st, says:

Every thing in the business and money market remains the same as at date of our last issue, which is not, indeed, a very favorable condition for our general mercantile class. There is, at

present, a large amount of capital invested in the two branches of importing and jobbing; in addition to this, other obligations must be assumed, to keep up a supply of goods necessary for a continuance of business; and as the present prices of merchandise do not generally pay expenses—sinking profits in most instances, to those engaged—their position and prospects must be considered rather discouraging. Of course, it may be anticipated that the next year will be a good one, as the last one was. The demand and consumption of goods must increase, from the twofold cause of low prices and increase of population; yet the present depression is not the less felt; and this we are disposed to attribute, at least, as much to the low prices, with absence of profits, as to the general falling off or dullness of trade.

The bids for the Missouri State Loan of \$20,000, were opened on the 1st instant, and an average premium of 4.75 per cent. obtained. The accepted bids were as follows:

		Rate.	Premium.
\$13,000, John P. Yelverton,	.	\$105 50	\$715 00
25,000, Wadsworth & Sheldon,	.	104 56	1,215 00
25,000 " "	.	104 51	1,202 50
25,000 " "	.	104 76	1,190 00
25,000 " "	.	104 71	1,177 50
25,000 " "	.	104 66	1,165 00
55,000 " "	.	104 61	1,152 50
25,000 " "	.	104 56	1,140 00
12,000 " "	.	104 51	641 20

Amount of Premium, \$9,498 70

The premium would have been somewhat larger; but a sale of former issue of Missouri bonds was made simultaneously in the market which interfered a little with the present negotiation. The price realized is not quite equal to that of the North Carolina loan of \$500,000, at 5.02 per cent. premium, nor the Wisconsin State bonds, which produced 6.04 per cent. premium. It is rather a disadvantage to the negotiation of State loans, to bring them frequently, and in small sums, before the public. Missouri will want one or two millions of dollars, during the coming year; and it will be found that foreign capitalists, who give increased attention to American securities, prefer a large loan to a small one, when the latter is to be followed by several others of a like sum.

The ruling quotations for State loans in this market are as follows:

N. Y. State 6 per cent. int., 1861, 114	a 116	Maryland 6 per cent.	107½ a 109
Pennsylv'a 5 " coupon, 100½	a 101½	Tennessee 6 "	109
Kentucky 6 " 110½		Virginia 6 "	107 a 108½
Illinois 6 " 1847, 91		Missouri 6 "	104 a 105
Indiana 5 " 97½ a 98½		N. Carolina 6 "	108 a 110
" Canal 6 " 96½ a 97½		Georgia 6 "	108 a 109

The debt of Missouri is smaller than that of any other State enumerated in the above list; yet her bonds, at the present moment, command less premium than nearly all of them.

The loan of the Illinois Central Rail-Road Company, of three millions of dollars, was negotiated on the 20th inst. The bids ranged from par to 5½ premium; but the amount of premium realized has not been made known.

There are several heavy loans and stock operations to be brought forward for negotiation within the next few weeks, all worthy of careful consideration on the part of foreign and domestic capitalists. Among these we enumerate:

I. Pennsylvania State loan of \$1,000,000, at five per cent., as authorized by the law of April 19th, 1853. Proposals will be received at the office of the Secretary of the Commonwealth, Harrisburg, up to the second Tuesday in August next, for loaning to the State of Pennsylvania, in the manner and for the purposes set forth in the foregoing law, the sum of ONE MILLION OF DOLLARS. The bonds for said loan will be issued in sums of one thousand dollars each, bearing interest at the rate of five per cent. per annum, reimbursable twenty-five years after date, with coupons or interest certificates attached, "which bonds shall not be subject to taxation for any purposes whatever.

The Treasurer of the State gives notice, that, in accordance with the 95th section of the act already referred to, the Governor and State Treasurer will issue certificates of loan in the manner and form provided for in the foregoing notice, to all such holders of the bonds now in existence as may sig-

nify their willingness to receive said new certificates in exchange for a like amount of the present bonds, and pay a premium in cash of not less than five per cent., and also the state tax on the interest that may have accrued on the present bonds. Propositions may be made to the Governor and State Treasurer by mail, at any time, and they will receive prompt attention.

II. The Pacific Rail-Road Company loan of \$4,000,000 on the mortgage bonds of the Company. This is a tempting investment at seven per cent., well secured. The terms are fully made known in the advertisements of the Company contained in the several papers of this city. The landed security will be eventually fully adequate for this advance, besides the mortgage on 800 miles of the road itself.

III. Little Miami Rail-Road Company loan of \$1,000,000. The Little Miami Rail-Road Company offer for sale one million of their six per cent. bonds with coupons. Interest and principal payable in New York; the former half yearly, 1st November and 1st May. They are in sums of \$1,000 each, payable the 1st day of May, 1853. These bonds are issued under express authority of the Legislature of the State of Ohio; are a part of the \$1,500,000 loan authorized to be issued by a vote of the stockholders, for the purpose of raising means to make a double track; the greatly increased and increasing business of the road makes this absolutely necessary.

The Little Miami Rail-Road is eighty-four miles long, commencing at the City of Cincinnati, and terminating at Springfield; is now in complete running order; has cost, including the equipments, stations, station-houses, &c., up to this date, \$2,708,109 19.

This company holds stock in the Columbus and Xenia Rail-Road Company to the amount of \$356,000, which now commands a premium of 20 per cent. Also in the Hillsborough Road the amount of \$11,716.

The receipts of the company have rapidly advanced from \$46,000 in 1845, to \$116,000 in 1846, 221,000 in 1847, \$280,000 in 1848, \$321,000 in 1849, 405,000 in 1850, \$487,000 in 1851, 526,000 in 1852, and the receipts thus far for the year 1853, indicate that the whole year will produce \$625,000 on a cost of about \$2,700,000.

For particulars of this loan, our readers are referred to the advertisement of Messrs. Winalow, Lanier & Co., of this city.

IV. Central Rail-Road Company of New Jersey stock subscription of \$950,000. The books for this additional subscription will be left open at the Bank of America in this city, on Monday next, 27th instant.

This amount comprises all that the company are authorized to issue, and the amount now to be subscribed is to be expended in the construction of a second track, improvements at Elizabethport, &c.

The ferry, 12 miles from New York to Elizabethport, and the rail-road, 68 miles from Elizabethport to Easton, Pa., has been in operation through the entire distance for nearly a year, and both are fully equipped for the present business.

The road has paid seven per cent. on the cost of the several sections as they have been opened, and the entire road, with its present local business, is paying dividends at the same rate.

This road is the first link in the important and direct route from New York City to Pittsburg, through extensive coal lands of Pennsylvania.

V. Stock subscription of \$1,000,000 to the Philadelphia, Wilmington and Baltimore Rail-Road Company. This sum is wanted for the construction of the rail-road bridge across the Susquehanna, at or near Havre de Grace, Maryland. It is proposed to issue 23,000 additional shares, at \$50, making an aggregate of \$1,150,000; the present capital being represented by 77,000 shares, making \$3,850,000. The combined capital will then be five millions of dollars.

They state that the bridge will be expensive, but will amply compensate for the outlay by reduction in expenses. That the ferry has prevented their meeting that degree of success which their road should have attained, being the thoroughfare between the large cities of Philadelphia and Baltimore; and that their route can never be perfected, nor answer the expectations of the public without it.

Our number for this month contains an elaborate article upon the proposed *Clearing House* for the New York Banks. The utility of such an institution is becoming more evident every day. The daily transactions at present between the various banks of this city now amount to millions of dollars. These exchanges are made with much labor to each institution and with some risk, as each employs a messenger or runner for this purpose. Between six hundred and nine hundred accounts are necessarily kept open between the several banks, when all the accounts could be advantageously concentrated with one common centre.

For many years a Clearing House has been in operation in London, for the convenience of the private banks of that metropolis.

In the year 1839, their exchanges through this medium amounted to nine hundred and fifty-four millions sterling, or more than fifteen millions of dollars *per week*. At the present time these daily exchanges, it is believed, amount to about seven millions sterling per day. All these payments are made with very little coin, and with about five per cent. of the amount in bank notes.

The importance of this subject to all our moneyed institutions is such, that we hope immediate steps will be taken for bringing about an exchange or clearing system in our city. In Massachusetts the proposed "Bank of Redemption" bill did not pass, but was postponed to the consideration of the next Legislature.

The Legislature of Massachusetts have levied a State Tax of \$300,000 in aid of the revenue of that Commonwealth. This tax will be borne in the proportion named below, by the several Counties:

Suffolk County, . . . . .	\$100,842	Berkshire County, . . . . .	9,451
Essex County, . . . . .	20,520	Norfolk County, . . . . .	23,649
Middlesex County, . . . . .	43,627	Bristol County, . . . . .	20,043
Worcester County, . . . . .	22,631	Plymouth County, . . . . .	10,611
Hampshire County, . . . . .	7,197	Barnstable County, . . . . .	5,093
Hampden County, . . . . .	11,973	Dukes County, . . . . .	921
Franklin County, . . . . .	6,117	Nantucket County, . . . . .	2,325
			\$300,000

A direct tax is an unusual thing in the State of Massachusetts at the present time. None has been levied for eight years; and the two which were assessed in 1844 and 1845, amounted together to but \$150,000.

Out of the aggregate tax of \$300,000, Boston is assessed \$93,691, nearly one third of the whole amount. The number of representatives to which the city is entitled is now but about one tenth of the whole, and it is proposed to reduce it nearly one half; while the small towns to each of which it is proposed to allow one representative out of 400, pay an average of about \$150, or a half of a tenth of one per cent. of the whole state tax.

For some years past, the state burdens have been mainly paid out of a tax of one per cent. upon the bank capital. The whole amount of receipts into the State Treasury in 1852, on account of the ordinary revenue of the Commonwealth, was \$598,170 49; of which \$480,260 77, or 72 per cent. of the whole amount, accrued from the bank tax. The next largest items were \$75,000 from the dividends of the stock in the Western Rail-Road Corporation owned by the state, \$29,459 52 from alien passengers, and \$12,026 22 from the auction tax.

The Philadelphia Money Market is quiet, with loans at 6 a 7 per cent. A large amount of dividends will be payable there on the 1st proximo, from City, County and other Stocks. Some difference of opinion exists as to the rate of the forthcoming dividend of the Reading Rail-Road Company. The receipts of the Company for the present season are \$60,000 beyond those of 1852.

THE  
BANKERS' MAGAZINE,  
AND  
Statistical Register.

---

VOL. III. NEW SERIES.      AUGUST, 1853.

---

No. II.

THE SIXPENNY SAVINGS BANK.

A NEW financial feature of the day is the establishment of a "Six-penny Savings Bank" in the City of New York. This institution is organized under a charter granted by the Legislature of this State, and will, no doubt, be an example for several others to follow. At present, the Penny Bank will be kept in the building occupied by the Empire City Bank, at the corner of Broadway and Anthony streets. Deposits will be received as small as five cents, on Mondays, Thursdays and Saturdays, between the hours of 5 and 8 o'clock, P. M. ZADOCK PRATT, Esq., a successful manufacturer and a practical banker, is president of the new bank, so wisely established for the small savings of the many. Vice-Presidents, ELIJAH F. PURDY and WILLIAM ADAMS; Secretary, SAMUEL LEGGETT.

We look upon the savings bank as one of the reformatory institutions of the age—one that is calculated to accomplish much good among that large class of people for whom such a plan has been fully matured and put in operation. Few persons among the humbler classes of society are able to accumulate funds sufficient for investments in real property or stocks. In the absence of savings institutions, they have been compelled to lay aside their surplus funds without the privilege of accumulating any interest thereon; or, as is generally the case, they are led to squander the little that might have been laid aside for future years.

With such institutions at hand, as in our large cities and many of the interior towns, the mechanic and the laborer finds a safe depository for



the small surplus earnings of the week. The enterprising artisan, especially in these days of progress, of science and improvement, will often feel the necessity of keeping pace with the rapid changes in his profession. To accomplish this, his surplus earnings of former years will be highly essential at times.

The mere habit of saving has a salutary effect upon every member of society who practises it—upon his own family—upon his own circle of friends. The moral and social effects arising from it are highly important; and the condition of society is obviously improved wherever the savings banks' principle is firmly established. It has been truly observed by leading writers, that a higher tone of morality prevails wherever the surplus earnings of the poor are allowed to accumulate for future use. "The man," says Dr. Duncan, "who can deprive himself of present indulgence, for the sake of future independence, will not readily stoop to the suppleness of duplicity, or the baseness of fraud."

Political economists have indeed come to the conclusion, that where poverty is on the increase, crime increases in a greater ratio. All means, therefore, which serve to lessen poverty in the community, will serve to abate crime among its members.

The habit of saving fosters a feeling of independence, which in itself has a highly favorable tendency. Without the savings bank, this habit, or a disposition to form such a habit, cannot be well sustained. It is an old saying, that "look out for the pennies, and the pounds will take care of themselves." If the shillings and the pennies can be securely and profitably invested, (as they can be in savings banks,) it is not only an additional guarantee for the good conduct of the depositor, howsoever small his deposit may be, but it is also a security against distress at a time when stagnation in trade stops the ordinary means of subsistence.

In Massachusetts, a year since, the number of savings banks' depositors was no less than 97,000, with an aggregate deposit fund of \$18,400,000. In other words, one out of every ten persons in the State is a depositor in such institutions, with an average deposit of two hundred dollars each. This is a large sum in the aggregate; exceeding, considerably, the entire bank capital of Kentucky and Ohio combined, with a population of three millions.

We subjoin a tabular statement, showing the number of depositors in the savings banks of Massachusetts, and the aggregate of the deposits in each year since 1834, in which year returns were first required by law:

<i>Year.</i>	<i>Number of Depositors.</i>	<i>Amount of Deposits.</i>	<i>Year.</i>	<i>Number of Depositors.</i>	<i>Amount of Deposits.</i>
1834	24,256	\$3,407,773.90	1844	49,699	\$8,261,345.18
1835	27,232	3,921,370.88	1845	58,178	9,513,287.56
1836	29,736	4,374,578.71	1846	62,693	10,680,983.10
1837	32,564	4,781,426.29	1847	68,312	11,780,312.74
1838	33,063	4,869,392.59	1848	69,694	11,970,447.64
1839	36,636	5,608,158.75	1849	71,629	12,111,553.64
1840	37,470	5,819,553.00	1850	73,823	13,660,024.84
1841	41,423	6,714,181.94	1851	86,587	15,554,083.53
1842	42,587	6,900,451.70	1852	97,353	18,401,307.56
1843	43,217	6,985,547.07			

In confirmation of the great advantages arising to the community by the establishment of savings banks, the Bank Commissioners of Massachusetts, in their last report, make the following remarks:

"In several of our best managed institutions, the semi-annual dividends have been raised from two to two and a half and three per cent. This approximation to a division of the profits of the deposits in "just proportion," has not only been justified by the prosperous condition of the institutions themselves, but also seems to us to have been precisely what the statutes contemplated. Such a division gives to savings banks the highest degree of usefulness to the greatest number of depositors. The expediency of retaining a large surplus of profits for an extra dividend is very questionable; for, while it may induce some to allow their deposits to remain untouched, others are deprived of an equitable share of the earnings which are essential to the relief of their immediate necessities.

"We have thus passed in review the condition of such of the banks of discount and circulation, and of the savings banks, as we have visited during the past year. We have given such facts and statements, with such commentaries as they naturally suggested. Both banks and savings institutions have shared in the general prosperity of the community. Their imperative duty and highest interests are both consulted and promoted when they conform in their operations to the requirements of law. Fidelity and intelligence in their management command public confidence, from which they derive their life and support. Banks when thus managed, with constant reference to the just claims of all the citizens, do, in turn, aid materially in promoting important public interests, and, at the same time, afford liberal dividends to their stockholders."

In Great Britain, where the savings banks' system has been in operation during the last fifty years, the aggregate deposits in their institutions of this kind, at the last report, were £30,184,000, with a population of 27,104,000; or an average deposit of five and a half dollars each. There the average rate of interest is about 2 7-8 per cent., whereas here it is about 5 per cent. to the depositors.

The original introduction of savings banks has been attributed to the Rev. Joseph Smith, of Wendover, (England,) who in the year 1799 circulated proposals to the people, in which it was offered to receive from them any sum on deposit, from two pence upwards. The first regular institution of this kind, of which we have any reliable account, was founded at Tottenham, Middlesex, in England, by the noted Mrs. Priscilla Wakefield. This was opened in the year 1804, and entitled the Charitable Bank. The accounts were kept by Mrs. Wakefield, assisted by six gentlemen, each of whom undertook to receive an equal amount of the deposits, and to allow five per cent. interest thereon. A more detailed account of this early savings bank is given in our sixth volume, (p. 881, *May*, 1852.)

The next institution of the kind was established in the year 1810, under the name of the "Parish Bank Friendly Society of Ruthwell," by Mr. Henry Duncan. This was the first regularly organized savings bank in England, and led to the establishment of seventy others in England,

four in Wales, and four in Ireland, between the years 1810 and 1817. They increased rapidly under the fostering care of the British government, and in the year 1844 the deposits amounted to the large sum of £29,504,861, distributed as follows :

	<i>No. of depositors.</i>	<i>Amount of deposits.</i>	<i>Average deposits of each.</i>
England, . . . . .	882,290	£25,112,865	£30 8
Scotland, . . . . .	69,824	1,043,158	14 19
Wales, . . . . .	15,690	509,796	32 2
Ireland, . . . . .	91,243	2,749,017	30 2
	<u>1,012,047</u>	<u>£29,504,861</u>	<u>£29 8</u>

In Great Britain, all savings banks' deposits are, by law, invested in prescribed portions of the national debt; thus securing to the depositor an unquestioned security for his funds, while it makes him deeply interested in the permanency of the government and the protection of public credit. In France, the deposit of any individual cannot exceed 1,500 francs; formerly it was limited to 3,000 francs. A recent official report to the Chamber of Peers, upon the condition and effect of the savings banks of France, concludes as follows :

"A savings bank is one of the finest institutions of modern times, and one which reflects the greatest honor upon the age. It has been the means of introducing economy and providence into the habits of the people; it improves their morals, increases their means, and engages their interest in the support of public order: it effects as much good for those who direct it as for those who profit from it, by encouraging friendly feelings towards each other, and by establishing relations of good will between the two classes of society."

The following is the prospectus of the new Sixpenny Bank :—

### SOMETHING ENTIRELY NEW AND NOVEL.

#### THE SIXPENNY SAVINGS BANK OF THE EMPIRE CITY.

This institution, organized under and in pursuance of a charter recently granted by the Legislature of this State, will be opened for business at the Banking House of the Empire City Bank, No. 336 Broadway, corner of Anthony-street, on Thursday, July 7, 1853, from 5 to 8, P. M., and on Mondays, Thursdays and Saturdays of each week thereafter, at the same hours.

Deposits received as small as Five Cents, in accordance with the provisions of the Act of Incorporation.

Deposits will be paid to females on their own receipts.

#### TRUSTEES.

Zadock Pratt,	Jonathan Purdy,	Isaac V. Fowler,	Wm. Miles,
John A. Dix,	Darius Perry,	Wm. Adams,	James Conner,
Isaac O. Barker,	Thomas Small,	C. V. Anderson,	Daniel Ward,
Jonathan Trotter,	H. Van Dewater,	James Fury,	M. H. Underhill,
Leon'd H. Church,	Bryan McCahill,	Samuel Leggett,	Jacob M. Vreeland,
Robert T. Hawa,	Edgar T. Ryder,	Joseph Hough,	Thomas J. Barr,
Barna. W. Osborn,	Wm. H. Adams,	Francis Godine,	James M. Griffith,
Cassius P. Peck,	Jacob J. Rosentine,	Wilson Small,	Wm. H. Mackrell.
Charles Francis,	Elijah F. Purdy,		

ZADOCK PRATT, *President.*

ELIJAH F. PURDY, }  
WILLIAM ADAMS, } *Vice-Presidents.*

SAMUEL LEGGETT, *Secretary.*

## THE SUPPLY OF SILVER AND GOLD.

From the *British Quarterly Review*.

LET us put in the front of our battle some facts to show the existence of a great want of gold and silver. Our readers are no doubt aware that, about 1819, some rich deposits of gold, extending over an immense surface, were discovered in Eastern Russia and Siberia. Between that time and the end of 1847, it is estimated that gold to the value of 36,000,000*l.*, or, on the average, 1,200,000*l.* per year, was obtained from this source. But the supply, small at first, went on gradually increasing; and by the year 1847, amounted—as M. Chevalier states, but rather under the mark—to 4,000,000*l.* per annum. He gives, too, an elaborate table of the annual produce of the precious metals in 1846, in which the supply of gold from Russia is put down at 3,414,427*l.*; and the supply from all the rest of the world, exclusive of China and Japan, at 2,432,325*l.*, making a total of 5,846,752*l.* For some years, therefore, previous to the Californian discoveries, the quantity of gold annually produced had been considerably more than doubled by the Russian supplies; and no persons, except a few public writers, took any heed of the matter. This is the more remarkable, inasmuch as the discovery was nearly contemporaneous with our return to cash payments, and contributed, though the consequence has hitherto been unnoticed, to the success of that measure. That great increase of gold had no perceptible effect on prices. Instead of there being a rise of prices from 1819 to 1848, there was a great, a continual, and a general fall of price, both previous and subsequent to the alterations in our commercial code in 1842; and, therefore, wholly independent of them. That general fall of prices which, in the main, was common to all the commercial world, is a proof that, notwithstanding the great increase in the supply of gold, it was insufficient; and, in relation to all other commodities, was continually increasing in value.

Nor is the supply of Russian gold a mere trifle in comparison to the accumulated gold of the world. According to M. Chevalier, the latest and the best authority—though we must say that we place but little reliance on any of these general calculations, and only use them as the basis of our argument because they are the only ones accessible—according, however, to M. Chevalier, the total supply of gold during the whole three centuries, ending in 1848, inclusive of the Russian supply, may be valued at 565,000,000*l.* In about 30 years, therefore, Russia has produced nearly a 13th part of the total supply of gold for three centuries. Such a large addition in so short a period, producing no sensible effect upon prices, is calculated to dissipate some of the alarm caused by the more recent and larger additions to the supply of gold.

Silver is more at the command of industry than gold, which is occasionally and in a manner different from all other metals showered on man almost like a miraculous gift. By an application of capital and labor, any quantity of silver, lead, iron and copper, for which there is an

effective demand, can be procured. Whatever may be the results of applying machinery to quartz crushing to procure gold, as now proposed, hitherto, as the rule, the quantity of gold has been almost incapable of increase; but in the process of centuries, the sites where it is deposited one after another, have been, as it were, revealed to man. It is well known that, for several years before the late discoveries of gold, the supply of silver, owing to improvements in the art of extracting it, and to the discovery of new and cheap supplies of quicksilver, was rapidly increasing. Thus, M. Chevalier tells us that, between 1827 and 1839, there was extracted from the lode of Veta-Grande, which had previously been considered exhausted, about 150,000,000 francs of silver. Rich mines have been found in Zacatecas, of which ten years ago no one surmised the existence. In 1827, the Fresnillo mine was abandoned; it yields now 10,000,000 francs a year. To the north of the city of Mexico, where the unopened lodes, not known in Humboldt's time, are immense compared to the lodes hitherto worked, mining is now being prosecuted on a greater or less scale. At the single town of Guanajuato, from 140,000 to 150,000 dollars are coined weekly; and the coinage in 1852 was 7,300,000 dollars. In 1846, M. Chevalier estimates the total value of the silver produced in North and South America at 5,261,619*l.*; and in 1850, at 7,259,824*l.*; or an increase of almost one-half in four years; and we know from the same private sources from which we derive our information of the produce of the mines of Guanajuato, that the increase is still going on.

Now it is a remarkable but well known fact, notwithstanding this great additional supply of silver, that the metal has continued very much in demand. The Bank of England possesses only 19,000*l.* of silver bullion; and our silver money has for some years only been kept in circulation by its value as bullion being much less than its value as coin. The scarcity of silver extends to the United States. Within four years nearly 8,000,000 of gold dollars, to supply the place of silver, have been coined; but such is still the scarcity, that one of the last acts of the late Congress was to adulterate the silver coins, and lessen the bullion in them, while their denominations are preserved, in order to keep them in circulation, by giving them (as coins) an artificial value. Every ounce of silver imported into England for many months past, has been immediately snapped up and exported to the continent of Europe, or to Asia. There has been, therefore, and there still is, a great want and real deficiency of silver, for purposes of commerce, though the supply has been for some years, and now is continually and very much enlarged.

It is also a fact about which there can be no dispute, that, during the period when these large additional supplies of Russian gold and American silver have been flowing into commerce, very great advances have been made in economizing the use of money. Banking, and all its ramified accommodations, particularly the substitution of checks for cash in making comparatively small payments, and in settling an immense number of accounts, without making any payment at all—a stroke of a pen, a letter, the transmission of a piece of paper sufficing, instead of using thousands

or millions of pounds sterling—has been within the last half century very much extended.

Such an improvement betokens a want of money, or it would not be advantageous; but while it has been going on, and substitutes to a very great extent have been found for money, there has been no rise of prices nor the least indication that money was too abundant. To compare these new facilities of exchange with the new gold discoveries may not be very practicable, they being such different things; but we should conjecture that, so far as the use of the precious metals for money is concerned, the creation of money by banking facilities far surpasses in quantity all the produce of the mines of the world within the same period. The exact degree, however, is of less consequence than the mere fact that all these facilities, tantamount to a vast addition to the circulating medium, have had no visible effect in degrading the standard of value, or making money apparently more abundant.

---

## SOUTHERN VIEWS OF REPUDIATION.

The Mississippi Bond Question. From the Mobile Daily Register, June 28, 1853.

WE remarked at the close of a brief article on Thursday last, that this question was one which the democracy of Mississippi must meet and master before they could hope to be re-united upon any basis or platform giving promise of permanency. They may get rid of the "Union" and "Secession" make-weights—they may coalesce upon national questions, both are easy enough—but they cannot longer exorcise the spirit of the bonds. They have said, "peace, be still," long enough. If not met and settled honestly, fairly and squarely, the spiritual manifestations of the bonds will visit our Mississippi friends with rappings that will be far more fatal in their effects than any we have yet read, or ever expect to read of. The question of payment or non-payment of the bonds addresses itself to the simple principles of common honesty between man and man, and must, and will, and ought to insinuate itself into the State elections until it is settled.

These bonds consist of two classes, and their history is briefly this: The first class, amounting to two millions of dollars, were issued about the year 1830, and the proceeds of sale invested in stock of the Planters' Bank. A few years later, an amendment of the constitution took place, and an article was inserted in the new organic law, inhibiting a pledge of faith of the State for the payment or redemption of any loan or debt, unless the law creating the debt and making the pledge should be passed by *two successive legislatures*. The same instrument contained an express provision exempting the bonds theretofore issued for stock in the Planters' Bank from the operation of the inhibitory article before alluded to.

A few years later came the monetary convulsion which swept over the country, leaving general destruction and dismay in its wake. No State suffered more from the tornado than Mississippi, and under the influence

of mistaken counsels, she sought relief in the banking system, probably upon the principle that the hair of the dog is good for the bite. In 1837, the Legislature incorporated the Union Bank as a State institution, and it went into operation the following year upon the proceeds of sale of five millions of State bonds, issued by authority of the charter. Such was the impatience of politicians and people to get hold of the issue of the bank, to relieve them from executions, that they could not wait for the supplemental charter, which materially changed the original, to be ratified by two successive legislatures. Out of this omission, sprung the constitutional question as to the liability of the State to pay the bonds; a question upon which we have no occasion to make any remarks or express an opinion.

The Planters' Bank failed in the general crash, and suspended payment of her coupons for interest upon her State bonds. The Union Bank went into operation, but her career was short, as every man of the smallest business capacity foresaw. She, too, failed, and the bond question immediately arose, and became the overruling test of qualification for office in the State elections. The bond-payers were nowhere—the repudiators carried the day, and did whatever seemed right in their own eyes.

And just here, is the proper time and place to say that the public discussion upon the constitutional obligation of the State to pay the Union Bank's bonds, was conducted with great ability, and apparently without passion or excitement. In all those discussions, wherever the liability of the State for the Union bonds was denied, it was in the same breath admitted that the Planters' bonds formed a debt of binding obligation upon the State, and must be paid. At that time not a single voice was raised against the liability of the State to pay the first class of bonds.

Time passed on. The people had, through the ballot-box, repudiated the Union bonds, but had admitted her liability for the Planters'. Still no steps were taken to provide for paying the interest upon them. At length a little black cloud was seen rising in the horizon, threatening the repudiation of the Planters' bonds. It grew darker and larger, till its gloomy pall covered the State, and the last struggle for the preservation of the State's honor was closed a year ago, by the express vote of the people, repudiating the Planters' Bank bonds! It is due to truth to say, that a very small vote was polled at the election; that it passed with very little discussion; that it was generally dodged, and left as pabulum for the demagogues; and finally, that it was swallowed up in a far more exciting contest. The truth, however, remains unaffected, that this verdict of the people was an enormous wrong. And it would be no difficult task to exhibit this, by showing that the State had previously received and used large dividends upon her stock in the Planters' Bank, and had in her treasury a cash fund properly applicable to the payment of interest on the bonds, *and to nothing else*, which she refused to appropriate to its legitimate object. But this is not necessary for our purpose.

The question now arises, what is the moral attitude of the State in regard to her liabilities? Why, it is precisely like that of an individual with ample means, shirking an honest debt and secreting his property.

While the State stood in the attitude of repudiating her bonds issued, or supposed to be issued in violation of her constitution, she had defenders not only at home but in other States, and was not without them even in England. But what apology is offered, *what can be offered* for her course now? If this judgment of the people is persisted in, if it is not overruled—if the State does not retrace her steps, she must be set down as having repudiated for the mere love of repudiation—refusing to pay, *because* she can refuse, and her creditors have no redress! It is childish weakness, it is sheer imbecility, to suppose that the civilized world will give her credit for honesty and good faith in repudiating one class of her bonds, while she refuses payment of the other, which every man, woman and child in her borders admitted to be a just and righteous debt.

The exports of the State of Mississippi are now worth about twenty millions per annum, showing that, so far as her means and resources are an indication of her wealth, she is about the wealthiest State in the Union, and yet she is the only repudiating State in the Union except Arkansas, a State of limited means, because her resources are undeveloped. Pennsylvania, whose exports are less valuable, promptly pays the interest upon a debt of forty millions. Indiana, with not half the means of Mississippi, has made provision for her debts amounting to fifteen millions; while the liabilities of our sister State are but half that amount.

Now, let us face the music. This whole career of repudiation has been run during the ascendancy of the democratic party, and we now take leave to say to you, brother democrats of Mississippi, in all fraternal kindness, that it devolves upon you to retrieve the character of the State—to shirk the question no longer, but to provide for the payment of those bonds at least, which you one and all admitted to be an honest debt and justly due. You have an overwhelming popular majority, but you will find it a precarious and unsubstantial reliance, until you have re-instated the credit of the State.

But more. You are engaging in a system of internal improvements which must languish under the blighting influence of a prostrated State credit. We do not allude to the Mobile and Ohio Rail-Road, which is far enough advanced with means and resources to be placed beyond all such injurious influences. But you are projecting other great works which will develop your resources and add incalculably to your wealth, population and power. If you succeed in them, you will be the first State which has perfected a system of rail-roads and canals without the use of State credit. Nor is this all. We have no doubt, from some facts which have come to our knowledge, that the repudiating attitude of the State has impaired individual credits within her boundaries to an amount annually little short of the whole indebtedness of the State.

These influences, so blighting to the prosperity of the State, will become more and more apparent from day to day, until a bond-paying party will arise, who will swear eternal hostility to, and abjuration of, every other political or party question until full payment of the bonds is provided for. Such a party will grow, must grow, and will jeopard, if it do not prostrate, either or both of the political parties, which continue to dodge a question so vital to the best interests of the State.



From the Charleston (S. C.) Evening News.

AN appeal lies to the State of Mississippi stronger than any ever addressed to a people's sense of justice, and as a member of the American Confederation, to remove the foul blot of bad faith that stains her annals. We say as a member of the American Confederation: on what principles is that confederation based? Are they not the inviolability of contracts? Not, to be sure, a contract of debt, but a higher and holier contract—a civil or political contract. To what does Mississippi appeal for the preservation of that Constitution which is the bond of union, if not to the obligation which its stipulations impose on the contracting parties? What principles did her senators and representatives in Congress invoke, if not those of good faith, in the late debates on the compromise question? Where is the binding, legal and moral force of the condition for the surrender of fugitive slaves, if it is not sought in the immutable sense of justice on which all contracts rest? And what strength did not the invective against the free-soilers and abolitionists borrow, when they were told that they were violating the contract of the Constitution? Is there any essential distinction between one contract and another? between a contract to pay money and a contract to restore property? Mississippi would feel that the plighted faith of the law had been violated if her slaves escaped to a non-slaveholding section of the Union, and their recovery was impeded by an act of legislation. As she then appeals for the observance of the Constitution to those principles of good faith on which repose its highest obligations, let her act in accordance with them in her own legislation. The virtue that resides in the contract does not find its boundary where the political compact ends, and the contract of debt begins. It is of comprehensive obligation. Its operation is as wide as human interests. The seal of the bond is as sacred when placed on the humblest as on the highest instrument. In the eye of equity and faith there is no difference. In the code of political morals there is no distinction between a state debt and a Federal compact.

In this aspect of the question, the analogy we have indicated has a special application to the southern members of the Union, one and all. How will it stand in history, that one of those States which was in the vanguard of resistance, when the contract to surrender fugitive slaves was about to be nullified, because of the ill faith of one or more of the parties, should exhibit in her own legislation an example of a like contempt of the obligation of our acts? How will such a record as this read, that Mississippi, in the year 1851, was ready to unite in armed resistance, if necessary, with her sister States of the South, in defence of her rights of property; and because, as a sovereign State, there is no resort to compel her to respect those rights in others, who are uncombined and powerless, she takes advantage of the superiority of her position as compared with that of her creditors. It appears to us, reasoning on broad principles that apply now and in all time to come, that the Southern States, appealing to the high considerations of public integrity, observing consistency, exacting justice, demanding reciprocity, cannot afford to exhibit an example of broken faith. The humblest member of the south-

ern division of the confederacy must enter the sanctuary of the Constitution without stain or blemish from violated promises. If Mississippi will not put on a robe of purity, casting off the foul garment with which she has clothed herself—if she still listens to the accents of those demagogues that lure her from the path of honor, it becomes the office of her sister States of the South to give her the language of entreaty—if needs be, remonstrance—to appeal on principles of political sympathy, to that common interest which makes them one on questions of public faith, and ask of her this illustration, which will hereafter render it a common pride to act together in constitutional resistance to infractions of our great compact—the compact of Union.

But besides these views, which address themselves to the sense of equitable obligation, and embrace considerations of consistency, an appeal lies to the perception of obvious interest in a State circumstanced as Mississippi. She is surrounded with States which are engaged in public enterprises that look to the more rapid development of her resources. Can Mississippi fold her arms in this stage of general progress? Can she witness lines of improvement crossing her boundaries, without those connections which will unite her fortunes with those of adjacent States? This is impossible. Mississippi has a keen sense of her interest in this regard. The interpenetration of rail-roads through her fertile territory falls within her views of necessary internal improvement. But how is she to realize this sense of interest without the appliance of credit? Whilst her neighbors are aiding their schemes by the present plethora of money, she will be weighed down by discredited bonds. Can she expect to work out her plans of improvement by the machinery alone of taxation? Impossible. Credit is indispensable. How can she borrow under present circumstances? She must throw off the existing incumbent weight of dishonor, that leaves no hope for her to hold her place in the race of rivalry, which she has to maintain, if she does not fall far in the rear of the public improvement.

The honor of States is a priceless treasure. It is impossible that any pecuniary estimation can adjust the public faith and integrity by the amount of convenience promoted or privation saved. Public morality looks to no such standard. If popular sentiment is so perverted as to measure general well-being by the saving of taxation—by dollars and cents—the calculation will prove miserably deceptive. It will react in its consequences, if not on the welfare of the present generation, on the interests of posterity. Those who legislate, therefore, for a community, take an imperfect view of their high trust—they are without forecast—if they, for present convenience, avoid those burdens and sacrifices which are to leave the estate to their successors, not only unincumbered with heavy debt, but unstained with deep and indelible discredit. The political inheritance is not worth having, that in the hands of trustees, has been divested of that which forms the vitality of modern States, to wit, an untarnished name in the observance of scrupulous good faith.

## COMMERCIAL BANK OF THE MIDLAND DISTRICT.

*General Statement of the affairs of the Commercial Bank of the Midland District, on the 1st day of July, 1853.*

## LIABILITIES.

Capital stock, .....	£500,000	0	0
Bank notes in circulation, .....	377,835	5	0
Dividend No. 40, payable this day, 3¼ per cent. for 6 months, .....	17,500	0	0
Former dividends unpaid, .....	1,087	10	3
	<hr/>		
Amount at credit of profit and loss, to cover interest on special deposits, commission on foreign accounts, &c., .....		2,457	15 9
RESERVE FUND—Net profits on hand, after paying Dividend No. 40, and retaining amount at credit of profit and loss account, .....		55,821	19 3
Balances due to other banks and foreign agents, .....		14,504	14 1
Deposits bearing interest, .....	194,603	12	3
Deposits not bearing interest, .....	110,254	16	4
	<hr/>		
Total liabilities, .....	£1,274,065 12 11		

## ASSETS.

Gold, silver, and copper coin in the vaults of the bank and its offices, .....	93,891	7	8
Notes and checks of other banks on hand, .....	27,012	11	6
	<hr/>		
Balances due from other banks and foreign agents, .....		137,452	19 10
Real estate and bank furniture, .....		21,397	14 5
Bonds and mortgages, .....		11,188	8 1
Bills and notes discounted, and all other debts due to the bank, not included under the foregoing heads, .....		983,122	11 5
	<hr/>		
Total assets, .....	£1,274,065 12 11		

C. S. Ross, Cashier.

COMMERCIAL BANK, M. D., Kingston, (Canada,) 1st July, 1853.

The annual general meeting of the shareholders of the Commercial Bank of the Midland District was held at the bank, in Kingston, on Tuesday, the 5th day of July, in conformity with the act of incorporation.

The meeting having been organized by the appointment of THOMAS KIRKPATRICK, Esq., as chairman, the Hon. John Hamilton, president of the Board of Directors, submitted the general statement of the affairs of the bank, and thereafter read the following

## REPORT.

In requesting your attention to the statements on the table, I would remark that many circumstances have occurred during the past year, affecting in a material and favorable manner the interests of the bank. Several of these are considered of sufficient importance to call for more than a mere verbal notice, and they are referred to in this report, for the

information of distant shareholders, who have not an opportunity of attending the annual meeting.

The trade of Canada, during the past year, has been healthy and unusually active. The influx of foreign capital, the greatly enhanced value and convertibility of real estate, and other important causes, have combined to bring about a state of general prosperity, conducing in no ordinary degree to the punctual discharge of current liabilities by the mercantile and agricultural community, and also toward the liquidation of overdue debts generally. In all the beneficial effects of this state of trade the bank has fully participated.

The amount of the notes of the bank in circulation has largely increased, while the fluctuations have been inconsiderable; nor has the ordinary spring reduction of discounts affected the issues to the usual extent. The average circulation for the past year has been £346,101 0 0, showing an increase of £124,248 over that of the previous year. The amount under discount has averaged £952,840, being £156,379 in excess of that of last year, and proving that fully as much has been done in the way of accommodation to the public as the capital of the bank would warrant.

The shareholders will observe with satisfaction a reduction of £10,457 13 1 in the account of bonds and mortgages during the past year. Several of the properties held have been sold, cash instalments received, and future payments rendered definite. Considering that the bank has been in existence upward of twenty years, during which period the country has been subject to several commercial crises, which could not but sensibly affect the extended business of the institution, particularly in Upper Canada, the amount £11,188 8 1 is not great, but steady attention will be directed to its final liquidation.

I have also pleasure in stating, that the corporation of the City of Kingston, having effected a consolidation of their debt by sale of new debentures in London, have liquidated the whole of their liabilities to the bank, whether absolute or contingent.

The results of the business of the bank for the past year have been satisfactory. The profits, after deduction of expenses of management, bad debts, &c., have been . . . . . £55,181 2 11

There have been declared two half-yearly dividends, at the rate of 7 per cent. per annum, viz.:

No. 39, at 1st January last, on £420,000 capital, . . . . .	£14,700	0	0
No. 40, payable this day, on £500,000 capital, . . . . .	17,500	0	0
There has been paid circulation tax to Government, . . . . .	3,215	19	8
And reserved to cover interest on special deposits, commission on foreign accounts for past six months, and other similar contingencies not yet definitely ascertained, . . . . .	2,457	15	9
	<hr/>		
	£37,873	15	5
Leaving a balance of . . . . .	<hr/>		
	£17,307	7	6

Of this amount the board decided that £2,000 should be applied in reduction of real estate used for banking purposes, and the residue, £15,307 7 6, has been added to the reserve fund, as at December last, and previous to balance of statement on the table. This fund, including the premium on new stock, now amounts to £55,821 19 3.

From the course which the business of the country was taking last autumn, it became evident to the directors that a further amount of capital would be required to assist in conducting the increased business of our customers, and it is therefore determined to dispose of the unappropriated stock of the bank, amounting to £80,000. In considering this matter, and the manner of allotting the shares, the board were careful, that whilst consulting the general interests of the bank, those of each individual shareholder should be fully protected, and justice done to all. A pro rata division of the stock amongst the shareholders is the usual way in such cases; but as to many of our shareholders, it would have been inconvenient to take their quota, and they would thus have lost a part of the benefit arising from a large reserve fund, there remained but one proper way to attain the object which the directors had in view, and this they adopted. The reserve fund in January last, was within a trifle of 10 per cent. on the then paid up capital; and it was desirable, for several reasons, not to reduce this proportion. To have issued the new stock at par, would have had that effect, and consequently lessened the value of the stock in market. Under these circumstances, the board (deferring as to rate, to the expressed wishes of the shareholders at last annual meeting) resolved to offer the stock to shareholders only, at 8 per cent. premium, for a limited period; the rate to others, not shareholders, to be 10 per cent., and that only after the period named had expired. In this way, whether each shareholder took much or little, or none of the new stock, he remained in the same position as before in regard to his old stock. The whole of the new stock, however, was taken and paid up by shareholders. The readiness with which this was done, and the steady advance of the price in the market, show the estimation in which the stock is held, though it is still below its value.

The additional amount of capital thus placed at the disposal of the directors, has been entirely employed in granting increased facilities to the regular customers of the bank. The board were convinced, that however profitable large isolated transactions may be for the moment, it is more to the advantage of the bank to resist the regular and growing general business of the country, than to engage in operations requiring large advances, and which necessarily prevent regular accommodation being given to the public. Although the bank has a fair share of the business connected with the public works now in progress, the arrangements are such that advances, if required at all, are for very limited periods, nor do they affect the usual business of the bank. The accounts give a large and steady circulation to our notes, and are in a great measure resolved into negotiations of exchange, and disbursements of the proceeds.

In the month of February last, in consequence of the death of D. S. Kennedy, Esq., our late valued agent in New-York, it became necessary

to make other arrangements for our business in the United States. These have been effected with the Merchants' Bank at New-York, and the New-York State Bank at Albany, on satisfactory terms. The high standing of both these institutions, and the characters of their officers, give every assurance that our business will be efficiently conducted, while the terms admit of extended transactions without increased charge. At the same time we will not be subject to the contingency necessarily attending a connection with any individual or firm, such as occurred by the death of Mr. Kennedy. The board avail themselves of this opportunity of recording their appreciation of the courteous feeling which pervaded all Mr. Kennedy's correspondence, as well as the uniform correctness of his accounts, during the many years he acted as our agent.

I have further to inform the shareholders, that the directors have effected sale of the bank premises at Kingston, to the Postmaster General, to be used as a post-office, for which the building, from its central position, is well adapted. Possession will be given in August, 1854. It is intended to erect a building more suitable to our present wants, on part of the property belonging to the bank, on the corner of King and William streets, and to dispose of the remaining part. It is believed this can be done at a cost, which in all probability will add but little to real estate account, exclusive of what is obtained for the present building and lot adjoining.

Since the opening of navigation, several of the branches have been inspected by the cashier, who reports favorably of the general management of the same. Those not yet inspected, will be visited next month. The cashier also reports to the board his satisfaction with the management of the offices by the local cashiers and agents, as well as with the efficient discharge of their respective duties by the junior officers of the establishment.

JOHN HAMILTON, *President.*

It was then moved by Alexander Campbell, Esq., seconded by J. R. J. Fourre, Esq.,

That the general statement of the affairs of the bank, and report now submitted, be received, adopted and printed, for the information of the shareholders. Passed unanimously.

It was then moved by Captain C. J. Wright, R. A., and seconded by Maxwell W. Strange, Esq.,

That the thanks of the shareholders are due to the president and directors for their attention to the interests of the bank, during the past year. Passed unanimously.

The meeting then proceeded to the election of directors, when the scrutineers reported that the following gentlemen were duly elected directors for the ensuing year: Hon. John Hamilton, Hon. John Macaulay, John Mowat, Esq., Joseph Bruce, Esq., Francis A. Harper, Esq., Hon. John A. Macdonald, John MacPherson, Esq., Douglass Prentiss, Esq., John Fraser, Esq., Hon. J. Hillyard Cameron.

The chairman having been requested to leave the chair, and Alexander Campbell, Esq., having been called thereto,

It was moved by Hon. J. A. Macdonald, and seconded by Douglass Prentiss, Esq.,

That the thanks of this meeting be tendered to Thomas Kirkpatrick, Esq., for his efficient conduct in the chair.

THOMAS KIRKPATRICK, *Chairman.*

## CANADA STOCKS, JULY, 1853.

<i>Description.</i>	<i>Shares.</i>	<i>Paid up.</i>	<i>Last dividend.</i>	<i>Buyers.</i>	<i>Sellers.</i>
Bank of Montreal, . . . .	£50 0	whole.	3¼ p. cent. 6 mos.	23¼ prem.	24 prem.
Bank of British North America, . . . .	50 0 stg.	do.	8 per cent. do.	18 prem.	None.
Commercial Bank, Midland Dist., . . . .	25 0	do.	3¼ p. cent. do.	14 prem.	15 prem.
City Bank, reduced stock, . . . .	18 15	do.	8 per cent. do.	5 do.	5½ do.
Bank of Upper Canada, . . . .	12 10	do.	3¼ p. cent. do.	None.	None.
Banque du Peuple, . . . .	12 10	do.	8 per cent. do.	¼ prem.	1 prem.
Montreal Mining Co.'s Consols, . . . .	5 0	£2 14 8	. . . . .	80s. 3d.	82s. 6d.
Quebec and Lake Sup. Mining Co., . . . .	2 0	0 16 8	. . . . .	4s. 0d.	5s. 0d.
Huron Copper Bay Mining Co., . . . .	1 5	0 1 8	. . . . .	7s. 6d.	7s. 6d.
Canada Mining Co., . . . .	1 5	0 2 6	. . . . .	None.	None.
Champlain and St. Law. R. R. Co., . . . .	50 0	whole.	None.	12½ dis.	10 dis.
St. Lawrence and Atlantic R. R. Co., . . . .	25 0	do.	. . . . .	None.	None.
Montreal & New York R. R. Co., . . . .	50 0	do.	2 p. cent. per ann.	15 dis.	15 dis.
Montreal Telegraph Co., . . . .	10 0	whole.	4 p. cent. 6 mos.	20 prem.	None.
Montreal & Troy Telegraph Co., . . . .	12 10	do.	. . . . .	None.	do.
Montreal City Gas Co.'s Stock, . . . .	10 0	do.	4 p. cent. per ann.	7 dis.	6½ dis.
Government Debentures, . . . .			6 per cent.	7 prem.	8 prem.
Champlain & St. Law. R. R. Bonds, . . . .			7 per cent.	2 prem.	. . .

## BANKING LAWS OF MASSACHUSETTS.

## LAWS ENACTED AT THE SESSION OF 1853.

- I. An Act to facilitate the detection, and to prevent the circulation of Counterfeit Bank Bills.
- II. An Act to restrain the issue or circulation of Bank Bills for any fractional part of a dollar.
- III. An Act concerning Bank Directors.

*An Act to facilitate the detection and to prevent the circulation of Counterfeit Bank Bills.*

SEC. 1. Any and every bank now established or which may be established under the authority of this Commonwealth, which shall receive in payment, or upon deposit, or for redemption from any other bank, or from any person or persons, any counterfeit bank bill, shall and may write or stamp upon such bank bill the word "COUNTERFEIT," adding thereto or thereunder the name of the bank and the initials of its officer by which such writing or stamp shall be made.

SEC. 2. Any bank note or bill, which may have been altered from its original denomination or amount to some other, may in like manner be stamped with the word "ALTERED," in such manner as to give notice of such alteration.

SEC. 3. If any bank or its officer shall, by mistake or inadvertency, make any such writing or stamp upon a bank note or bill which is not, in fact, a counterfeit or an altered bill, the bank, or its officer, shall not be answerable in damages for any sum greater than the actual loss or damage which such mistake or inadvertency may produce, except in cases where it appears that the stamp was fraudulently made. [May 25, 1853.]

---

*An Act to restrain the issue or circulation of Bank Bills for any fractional part of a dollar.*

SEC. 1. No bank now incorporated, or which may hereafter be incorporated in this Commonwealth, shall issue, loan or receive any bank note or bill designed for circulation or use as currency, which is or shall be for any fractional part of a dollar, or any such bank note or bill, any part of which is or shall be for a fractional part of a dollar; and any bank which shall offend against the provisions of this act, shall forfeit and pay to the use of the Commonwealth, the sum of one hundred dollars for each and every such offence, to be recovered by indictment or information, before any court of competent jurisdiction.

SEC. 2. No bank note or bill for any fractional part of a dollar, or any [and no] bank note or bill, any part of which is or shall be for a fractional part of a dollar, shall be received or put in circulation within this Commonwealth as currency; and any and every person who shall receive or put in circulation as currency, any such note or bill, shall forfeit and pay the sum of twenty-five dollars for each and every such reception or putting in circulation, to be recovered as aforesaid, one half to the use of the complainant, and the other half to the use of the Commonwealth. [May 25, 1853.]

---

*An Act concerning Bank Directors.*

SEC. 1. A majority of the directors of every bank shall be residents, or have their places of business, within the county where the bank is established, or within ten miles of the bank.

SEC. 2. All laws inconsistent herewith are hereby repealed. [May 25, 1853.]



## BANK OF CHARLESTON.

At the annual meeting of the stockholders of the Bank of Charleston, South Carolina, which was held at the hall of the banking house, pursuant to public notice, and in compliance with the terms of the charter, on Wednesday, the 6th of July, 1853, the president of the institution, A. G. ROSE, Esq., submitted the following report:

*Bank of Charleston, S. C., 6th June, 1853.*

## GENTLEMEN :

In submitting to the stockholders the present annual report on the affairs of the institution, the Board of Directors find it only necessary to refer to the accompanying full and detailed statements, which, on examination, will be found to contain all desirable information as to the present condition of the bank and the general results of its business for the past year.

By reference to the profit and loss account, it will be seen that the net profits of the year, after deducting the current expenses, amount

to . . . . .	\$318,643
Out of this sum have been declared two semi-annual dividends	
of 5 per cent. each, amounting to . . . . .	316,080

Leaving to the credit of reserved profits, . . . . .	\$2,563
--	---------

By the cashier's statement, a view is presented of the general condition of the bank on the 30th ultimo, the end of our fiscal year. The following abstract from this statement may serve to illustrate the actual position in which we then stood as to our immediate liabilities and resources:

LIABILITIES.		RESOURCES.	
Bank notes in circulation, . . . .	\$2,111,054	Gold and silver coin, . . . .	\$562,233
Due to city banks, . . . . .	81,972	Notes of city and country banks, . .	98,897
Due to distant banks, . . . . .	750,576	Due by city banks, . . . . .	50,893
Unclaimed dividends, . . . . .	11,044	Due by distant banks, . . . . .	321,106
Due to depositors, . . . . .	607,673	Due by agencies, . . . . .	873,720
		Foreign exchange unsold, . . . .	883,077
		Domestic exchange maturing, . .	2,112,934
		Stocks, . . . . .	539,648
	\$3,512,324		\$4,942,563
Excess of resources over liabilities, . . . . .			\$1,430,239

By the tabular statement, a further view is obtained of the condition of the bank at stated *monthly* periods throughout the year. An average of the leading items presents the following result:

## MONTHLY AVERAGES.

LIABILITIES.		RESOURCES.	
Notes in circulation, . . . . .	\$2,246,915	Specie, . . . . .	\$509,151
Deposits, . . . . .	641,810	Bills discounted, . . . . .	2,338,762
Due to banks, . . . . .	1,684,911	Domestic exchange, . . . . .	1,926,919
		Foreign do. . . . .	1,043,030
		Stocks, . . . . .	533,931
		Due by banks, . . . . .	1,589,503

The special report of the committee, charged with the examination of the suspended debt, furnishes a full exhibit of the state of that account. It embraces every thing lying over under protest in bank at the present time, making the total debt in suspense amount to \$40,080.

In this sum, however, is included several domestic bills, which have very recently been returned dishonored, and which it is expected will promptly be settled by arrangements now in progress, or about being made with the respective drawers.

The special report from the committee appointed quarterly to examine the cash assets of the bank, will show that every thing in that important department has been found correct and satisfactory.

The stock of the bank appears to be held at present by 1,075 proprietors, who may be classed as follows, viz.:

By individuals, in their own right, . . . . .	\$1,932,200
" Guardians, executors, trustees, &c., . . . . .	220,400
" Banks and other corporate bodies, a portion no doubt held by them under hypothecation, . . . . .	1,008,200
	<hr/>
	\$3,160,800

The business of the year has generally been safe and regular. With but few exceptions, all obligations held by the bank have been punctually paid at their maturity. In the foreign exchange and discount departments, not a bill or note lies over. The exchanges this year have generally yielded but small returns of profit on the amount of capital employed in them; which may mainly be attributed to the very great competition and consequent equalization of values in the different markets where we are accustomed to deal. But, we are pleased to find, nevertheless, that our field of operations has been of sufficient magnitude to make up for deficiencies in this respect, and to enable the bank, out of the earnings, to realize its usual income. The following summary may furnish some idea of our various transactions; and to what extent facilities have been afforded by the bank to its customers and the community, in supplying the current demands of trade during the year just ended.

Amount of bills and notes discounted, . . . . .	\$14,077,144
" of domestic exchange purchased, . . . . .	11,859,436
" of foreign exchange purchased, . . . . .	3,305,249

Making . . . . .	\$29,241,829
------------------	--------------

Amount of exchange sold, viz.:

In checks and credits on the North and elsewhere, . . . . .	\$11,973,983
In bills on England and France, . . . . .	2,903,107
	<hr/>
	\$14,877,080

Total amount of business transacted, . . . . .	\$44,118,909
--	--------------

In the successful accomplishment of such an amount of business and labor, the officers and agents of the bank are all entitled to a full share of praise for their great industry and fidelity in the discharge of their respective duties, and their services have accordingly been duly appreciated.

We take this occasion to remind the stockholders of the fact, that the act of incorporation of this bank will expire by its limitation on the 1st of June, 1856. It being the desire of many who are interested, that the charter be extended to a further period, measures have been taken to ascertain the views of a majority of the stockholders, by submitting for their approval and signature, a power of attorney, authorizing the Board of Directors to apply to the Legislature at such times as they may think fit for an extension of the charter, and to accept the renewal of the same, if deemed expedient so to do. This power of attorney will remain in the bank open for inspection; and where all stockholders, favorable to the measure, are invited to call and add their signatures to the list of names already subscribed.

All which is respectfully submitted.

A. G. ROSE, *President*.

**ASSAY OFFICE IN NEW-YORK.**—The Washington correspondent of the *U. S. Gazette*, in his letter of the 28th June, intimates that Dr. PATTERSON, of Philadelphia, will have the appointment of Comptroller of the New York Mint. We extract as follows:—

“Nothing has yet been done towards the establishment of the New-York Assay Office, because of the difficulty of procuring a building suitable for its purposes. It is thought, however, that a building will be leased or purchased within a fortnight, and that the establishment will be ready for operation within four months from this date. There is a strong desire on the part of many prominent citizens of New-York to procure the services, at the Assay Office, of Mr. Patterson, of your city. As he lost the appointment of Superintendent of the Philadelphia Mint in consequence of the determined opposition of Philadelphians, it would not be strange if he should devote his best energies and experience so to conduct the New-York Assay Office as to reduce the business of your Mint to a very small affair, and thus raise a plea for its entire removal to New-York. That is the scheme of the New-Yorkers. They are bound to carry it, if possible, at the next session, and you will need to work hard to defeat their energy, capital, and political influence. Mr. Patterson, however, declines to be a candidate for the Superintendency of the Assay Office, and probably cannot be induced to accept the place, if voluntarily tendered him, as he prefers not to leave Philadelphia, from private considerations.”

## A MANUAL FOR NOTARIES PUBLIC,

CONTAINING A SUMMARY OF THE LAW OF BILLS OF EXCHANGE, PROMISSORY NOTES, &c., WITH FORMS OF PROTEST, NOTICE OF PROTEST, &c.

BY BERNARD ROELKER, A. M., OF THE BOSTON BAR.

(Continued from page 57, July No.)

*Grace on Sight Bills*, 115—*Guaranty*, 153—*Notes and Bills Lost*, 158—*Damages on Bills of Exchange returned under Protest*, 161.

## CHAPTER VI.

PRESENTMENT OF BILLS OF EXCHANGE AND PROMISSORY NOTES  
FOR PAYMENT.*When to be Made.*

THE presentment of an accepted *bill of exchange* or of a *promissory note* for payment should be made at its maturity, and not before, nor generally after, and at the proper time and place. Although the acceptor of a bill and the maker of a note are bound, generally speaking, to pay absolutely, the undertaking of a drawer of a bill, and that of the indorsers of it, or of a promissory note, are conditional; namely, provided that the holder will demand payment at the proper time and place, and of the proper person, and in case of failure of payment, that he will give them proper and due notice.

We have already seen, that the presentment of a bill for acceptance is not excused by the drawee's death, bankruptcy, insolvency, or absconding. If he is dead, it should be presented to his personal representatives, if any, or at his last domicile; and if he has absconded, it should be presented at his last domicile or place of business. The same rules which we laid down there obtain also in regard to presentment for payment of both bills and notes. The presentment for payment must be made personally upon the acceptor or maker, at his place of business, or at his dwelling-house, and cannot be made by a written demand sent to him through the post-office.

*Time of Maturity.*

We will first state when a bill or note arrives at maturity. A bill or note importing to be payable within a limited time after a certain event, or on a given future day, or at sight, or a number of days after sight, is not in fact payable until three days after the expiration of that time. Those three extra days are called days of grace, and allowed in England and the United States, except where the statute law expressly directs otherwise, or the usage of the place is different, or where the bill or note is made payable without grace, on the face of it. For instance, in the District of Columbia four days of grace are allowed by the banks.

In counting time by days or months, the day of the date of the bill or note is excluded from computation, and by months is understood calendar months. If a bill or note is payable ten days after date without grace, and the bill is dated on the 1st of January, the bill or note is due on the 11th. So a bill payable ten days after sight without grace, if accepted on the 1st of January, is payable on the 11th. So a foreign bill of exchange or a note payable one month after date without grace, if the date of the instrument is the 10th of January, would be due on the 11th of February. No allowance would be made for the fact that February contains only twenty-eight days. A bill of

exchange or a note payable six months after date, or after sight, without grace, will be payable on the corresponding day of the sixth month, exclusive of the day of the date of the bill, whatever number of days those months contain. So if it were dated the 1st of January, six months after date without grace, it would be payable the 2d of July.

#### *Days of Grace.*

In respect to the allowance or non-allowance of days of grace, the rule is, that it is to be governed by the law of the place where the bill of exchange or note is payable. In France and Germany no days of grace are allowed by law. In the United States three days are generally allowed. A bill or note payable ten days after date, or sight, and dated the 1st of January, would be payable on the thirteenth; or if payable one month after date, it would fall due on the 4th day of February; or if payable thirty days after date, the days of grace would begin on the 1st day of February, and end on the third day. In each case, the time of running of the bill or note is calculated exclusive of the day of its date. If a bill is drawn payable at a certain number of days after sight, the time would begin to run only from the acceptance thereof, and exclusive of that day.

The days of grace are to be all counted consecutively, without any deduction on account of there being any Sunday or holidays, or other non-secular days, intermediate between the first and the third. If the first day of grace should be on Saturday, the third day of grace would be on Monday; so if the first day of grace commences on Sunday, the last or third day would be on Tuesday.

But whenever the *last* day of grace falls on a Sunday or other holiday, the bill or note becomes due and payable on the preceding day, that is to say, the latest business day occurring within the days of grace is the day on which the bill or note becomes due. If the last day of grace should fall on a Sunday, the bill or note would be due on the Saturday preceding. And if two holidays should succeed one another, as Sunday and the Fourth of July on Monday, and the third day of grace should fall on that Monday, the bill or note would be due on the preceding Saturday, the 2d of July. The general non-secular days in the United States are Sundays, Thanksgiving and Fast days, Fourth of July, and in some States also Christmas and New Year's days. The statute regulations in regard to them may be found below.

In England and America, days of grace are allowed on all bills, whether they are payable at a certain time after date or after sight, or at sight. Bills payable *at sight* are allowed the days of grace, but not bills payable *on demand*; these latter are immediately payable upon presentment. The rule applies to promissory notes, bank post-notes, and in some of our Western and Southern States, bonds are put on the same footing with notes, by statute.

The law of a foreign country, in respect to days of grace, in the absence of proof to the contrary, is presumed to be the same as our own. (*Dolfin v. Frasch*, 1 Denio, 367.)

The question whether bills of exchange payable *at sight* are entitled to three days' grace, does not seem to have been settled in the United States by direct decisions. Although we have stated the rule as fixed, we wish at the same time to state that the usage and practice in many cities and states are the other way; namely, that bills of exchange payable *at sight* are to be paid at once upon presentment, like bills and notes payable *on demand*. The text-writers, however, lay down the rule as above stated.

Chancellor Kent, in his Commentaries, Vol. III. p. 102, says: "The three days of grace apply equally to bills payable *at sight*, but a bill, note, or check payable on demand, or where no time of payment is expressed, is payable immediately on presentment, and is not entitled to the days of grace." He cites Chitty and Bayley on Bills as authority to this point, but remarks in the note (d): "On the other hand, though the weight of authority would seem greatly to preponderate in favor of the rule as laid down in the text, yet it may be considered as a point not entirely settled, and a different rule is laid down in Beawes's *Lex Mercatoria*, pl. 256, and in Kyd on Bills, p. 10."

Judge Story, in his work on Bills of Exchange, § 342, says: "In England, days of grace are allowed on all bills, whether they are payable at a certain time after date, or after sight, or even at sight. As to the latter (bills payable at sight), there was some diversity of opinion among the profession, as well as among the elementary writers. But the doctrine seems now well established, both in England and in America, that days of grace are allowable on bills payable at sight. And the same rule has been applied, as in strict analogy it should apply, to bank post-notes, payable after sight, for they differ in nothing from ordinary inland bills of exchange. But bills payable *on demand* are immediately payable upon presentment, without allowing any days of grace."

Bayley on Bills, p. 233, says: "A bill or note importing to be payable within a limited time after a certain event, or on a given future day, or *at sight*, is not in fact payable until two days after the expiration of that time, nor, unless the third be a day of public rest, until three."

Chitty on Bills, ch. 9, pp. 408, 410, says: "With respect to a bill payable at sight, though, from the very language of the instrument, it should seem that payment ought to be made immediately on presentment, this does not appear to be so settled. The decisions and the treatises differ on the question, whether or not days of grace are allowed."

He then quotes Pothier, regarding the old French law, Beawes's *Lex Mercatoria*, and Kyd on Bills, all of whom state that days of grace are not allowable on bills payable at sight; and then continues: "But it appears now to be considered as settled, that days of grace are to be allowed. In *Dehens v. Harriot* (1 Show. 163), it was taken for granted, that days of grace were allowable on a bill payable at sight. The same doctrine was entertained in *Coleman v. Sayer* (Barnard. K. B. R. 303). And, in another case, where the question was whether a bill, payable at sight, was included under an exception in the Stamp Act 23 Geo. III. c. 49, § 4, in favor of bills payable on demand, the court held that it was not; and Buller, J. mentioned a case before Willes,

C. J., in London, in which a jury of merchants were of opinion that the usual days of grace were to be allowed on bills payable at sight. And in Forbes on Bills (p. 142), the same practice is said to prevail. And Mr. Selwyn, in his Nisi Prius (p. 339, 4th edit.), observes that the weight of authority is in favor of such allowance. And they were allowed on such bills at Amsterdam."

R. Brooke, in his treatise "on the Office and Practice of a Notary of England," says (p. 163): "The course usually pursued when it [a bill of exchange] is payable at sight, is to present such a bill for acceptance, and if refused, and if a foreign bill, to protest it for non-acceptance; after a refusal and protest of the bill for non-acceptance, it is at once, according to the laws of this country, dishonored, and there does not appear to be any absolute necessity also to protest such a bill three days afterwards for non-payment, though in practice it is occasionally done; but as our laws may not be well known in other countries, it is submitted that it may be advisable to add in the protest for non-acceptance, that the drawee declared (if the fact be so) that the bill would neither be accepted nor paid; the course, however, which is recommended in order to obviate all doubt, is to protest it first for non-acceptance, and three days afterwards to present it again and protest it for non-payment."

Page 164: "It is a general rule, that three days of grace are allowed upon foreign and inland bills of exchange, and promissory notes, unless they are payable on demand; and consequently the *onus* rests upon the holder, who may feel disinclined to allow them in any particular case, of proving that such case does not come within the rule. When no time of payment is expressed, the bill is payable on demand."

Page 62: "If a bill be drawn, payable at a certain period after sight, it is necessary that it should be presented for acceptance, in order to fix the day of sight, from which the period is to run, and consequently the time when it will become due. Bills payable at sight are also presented for acceptance. Such bills as are payable on demand, as we shall afterwards see, and promissory notes, are never presented for acceptance; checks upon bankers, however, are occasionally accepted by bankers, when their customers consider that when accepted they would be more satisfactory to any persons to whom the checks are intended to be paid away."

He adds in a note: "The above observation is not intended to apply to promissory notes made payable *after sight*. They are very rarely made in that form, but when so made it seems to be the practice to present them for acceptance; the general Stamp Act, 55 George III. c. 184, contemplates the making of them payable *after sight*; and the author has occasionally seen such notes, and has known instances of their having been presented for acceptance. In *Wray v. Bassett*, cor. V. C. Wigram, Michaelmas Term, 1845, promissory notes of that description were read in evidence when the author happened to be in court."

Judge Story says, in his treatise on Promissory Notes, § 207: "Promissory notes are not ordinarily made payable at sight, or at a fixed time after sight, although they may be so. . . . If the note be payable at

sight, or at so many days after sight, the same rule would seem to prevail as upon bills of exchange, drawn at or after sight. That is to say, the date of the note would be treated as if it were the date of a bill payable at or after sight, and the time would begin to run from the presentment of the note, as it would from the presentment for acceptance. In short, although the maker of a note payable at sight (which is, however, allowed the usual days of grace, as we shall presently see, § 211), or payable after sight, has sight of the instrument when he makes it, yet a distinct and subsequent presentment must afterwards be made, and the time of payment be reckoned from the day of such presentment, and exclusive thereof."

§ 208. "Now the rule in relation to bills of exchange, whether foreign or domestic, payable at or after sight, unequivocally is, that they must be presented for acceptance (and by analogy the rule applies to presentment of notes payable at and after sight) within a reasonable time; and what that reasonable time is must depend upon the circumstances of each particular case. The holder of such a note is not at liberty to keep it in his possession for an unreasonable time without presentment, and lock it up from circulation. If he does, he will make the note his own, and will discharge the antecedent indorsers thereon from all responsibility."

Mr. Chitty, pp. 406, 407, says: "When a bill or note purports to be payable so many days after sight, the days are computed from the day the bill was accepted, or the note presented, exclusively thereof, and not from the date of the bill or note, or the day the same came to hand, or was presented for acceptance. And in case of a bank post-bill, which is really a promissory note, and in case of a note payable after sight, though the maker has sight of the instrument when he makes it, yet a distinct and subsequent presentment must afterwards be made, and the time of payment is reckoned from the day of presentment, exclusive thereof."

In the following States of the Union, it has been provided by statute, that days of grace be allowed on bills of exchange payable at sight: Maine, New Hampshire, Massachusetts, North Carolina, South Carolina, Ohio, Wisconsin.

In the following States days of grace are allowed on bills of exchange payable at sight, although not enacted by statute: Alabama, Indiana, Kentucky, Texas.

In Louisiana a decision has been made in one of the inferior courts allowing three days' grace on sight bills, but the usage is to pay on presentation.

In the following States days of grace are disallowed *by statute* on bills payable at sight: Vermont, Connecticut.

In the following States days of grace are not allowed on bills of exchange payable at sight, by the usage among banks and merchants, but no legal decisions have confirmed this usage as law: Rhode Island, New York, New Jersey, Pennsylvania, Delaware, Maryland, Virginia, Georgia, Florida, Illinois, Iowa, Michigan, Mississippi, Missouri, Tennessee.



In Arkansas the statute provides that "foreign and inland bills shall be governed by the law merchant *as to days of grace*, protest, and notice."

In the last-mentioned States it is not safe to rely upon the prevailing usage alone. In case of the dishonor of a bill payable at sight, it is necessary, in order to be perfectly safe, to have such bill protested twice; namely, immediately upon presentment and upon the third day of grace, so as to avoid litigation on this point.

In Louisiana it has been decided, that a bill payable on a fixed day (as on the 1st day of March) is payable on presentment, and no days of grace are allowed. (*Durnford v. Patterson*, 7 Martin's R. 460.) But this is not the general law, but a local peculiarity. Days of grace are allowed on bills and notes payable on a fixed day, by the general law.

Checks made payable at a day fixed, different from that on which they are dated, are treated as bills of exchange and entitled to days of grace, according to a late decision by the Court of Appeals in New York. (*Bowen et al. v. Newell*.) The instrument in this case was as follows:—

"NEW YORK, Oct. 5, 1849.

"Cashier of Thompson Bank,—Pay Zenas Newell or order two thousand dollars on the 12th inst.

(Signed,) B. SEARLS & SON."

(Indorsed,) "ZENAS NEWELL."

It was held, that notice and protest on the 12th were premature. To avoid protest for non-acceptance in such cases, and to insure payment on the day, they should be drawn with the words, "without grace, acceptance named."

On account of the uncertainty of the law regarding drafts at sight in New York, it is the practice of the banks in New York to protest sight drafts twice. Where it is intended, therefore, that all such drafts shall be paid on presentation, the words "without grace" should be inserted after "at sight."

In a recent case of a bill payable at sight (*Trask v. Martin*), which was argued before the general term of the Court of Common Pleas in the city of New York, it was decided, that bills payable at sight are *not* allowed days of grace, but must be paid immediately upon presentment; and in case of dishonor, protest and notice on the day of such dishonor are properly made and given. Mr. Justice Woodruff, in giving his opinion, reviews all the elementary writers whom we have above cited as authorities for the proposition that bills at sight are entitled to days of grace, and says: "Upon this review of dicta and alleged decisions, it appears to me that we cannot say that by law days of grace are allowable upon a bill at sight." And he concludes: "My conclusion is, that the language of the *instrument*, in the absence of any settled legal principle modifying its import, must govern the court in determining its meaning and effect. And that there is no known recognized usage which the court can say has given to such bills the allowance of days of grace."

This case has not been passed on by the Court of Appeals, and hence the law is yet to be considered as unsettled.

*Presentment as to Time of Day.*

In regard to the time of day when presentment must be made, the rule is, that it must be done at a *reasonable hour* of the day. If made at the place of business, it must be made within the usual hours of business, or, at furthest, while some person is there who has authority to receive and answer the presentment. If made at the dwelling-house, it may be made at any seasonable hour, while the family are up, and the acceptor or promisor may reasonably transact business. In all these cases the same rule applies which was laid down in regard to presentment for acceptance.

*Place of Presentment for Payment.*

Presentment for payment of a bill or note must be made, as in cases of presentment for acceptance, at the place of domicile, i. e. the city or town of the acceptor or maker, either at his residence or his place of business; whether both are in the same place or in different places, a presentment at one only is required. If the acceptor or maker has changed his place of domicile or business in the intermediate time, the presentment must be at the new domicile or place of business, if, by reasonable diligence and inquiries, it can be found, and if it is within the State. But if the maker of a note or an acceptor of a bill, in which no place of payment is specified, after it is given, removes out of the State of his previous residence, either into a foreign country or one of the other States, a presentment to him is not necessary. The same is the case, if he has absconded, or his place of residence cannot, upon reasonable inquiries, be found. If the acceptor or maker of a note has gone abroad and left his family behind, or has a counting-house, or a general agent, to whom he has given his business during his absence, it will suffice to make presentment at either of these places. If the dwelling-house or the place of business of the acceptor or maker is shut up, or they cannot be found, after diligent inquiries, the bill or note may be treated as dishonored.

It has been decided in New York, that the date of a note at a particular place does not make a demand at that place in every case necessary. (*Taylor v. Snyder*, 3 Denio, 146; *Anderson v. Drake*, 14 Johns. R. 114; *Bank of America v. Woodworth*, 18 Johns. R. 323.) Where the maker of a note has a known residence at the time of the execution of the note, which he does not change before the note becomes payable, a regular demand must be made there, or upon the maker personally, though the note be dated at a different place. (*Taylor v. Snyder*, 3 Denio, 146.) Where a note was dated in New York city, but before it was payable the maker removed to Kingston, Ulster County, and this was known to the holder, a demand of payment and diligent inquiry for the maker at New York was held not to be sufficient to charge an indorser. But when the note was dated at Albany, and the maker removed to Canada, a demand at Albany was held sufficient. (*Anderson v. Drake*, 14 Johns. R. 114.)

If a bill is drawn upon a drawee, domiciled in one place, and the bill

is payable in another place, and it is accepted by him, a presentment should be made for payment at the latter place. Thus, if a bill is drawn on drawees at Liverpool, payable in London, if accepted, the presentment for payment must be made in London, if any particular place is there pointed out, where payment may be demanded. If none is pointed out, and no person, upon due inquiries, can be found, by whom the bill will be paid, it may be protested in London for non-payment. But if the bill had not been accepted by the drawee, and it had been accepted *supra protest* by another party, then demand of payment must first be made of the drawee at Liverpool.

If a bill is drawn, payable at either of two places, and is accepted, the holder may present it at either place, at his option, and if not paid he has his remedy against the drawer and indorsers, upon protest and notice.

If a bill or note be made payable at a banker's or at a particular place, and is accepted, it should be presented for payment at that place, otherwise the drawer and indorsers will be discharged; but the acceptor or maker will not be discharged, if presentment is not made at the place designated, and on the day of maturity, and both will remain liable to pay afterwards.

It has been provided by statute in England, that an acceptance payable at a banker's or other place shall be deemed a general acceptance of the bill, unless the restrictive words "*and not otherwise or elsewhere,*" shall be added; so that no presentment or demand of payment at the banker's or other place is necessary, in order to charge the acceptor, unless those words have been added. But this does not alter the law in regard to the drawer or indorsers, who are not bound, unless a presentment has been made at the designated place, on the very day of the maturity of the bill.

In the Supreme Court of the United States, it is held, that, as between the holder and the acceptor, no demand at the place named in the acceptance is necessary to entitle the plaintiff to recover, though the want of such demand may affect the amount of damages and interest; but that to charge the drawer or indorsers of the bill, a demand at the place, at the maturity of the bill, is indispensable. (*Wallace v. McConnel*, 13 Peters, 136.) The same doctrine has been maintained in New York, where the court said, that, where a promissory note is made payable at a particular place on a day certain, the holder of the note is not bound to make a demand at the time and place, by way of a condition precedent to the bringing of an action against the maker. But if the maker was ready to pay at the time and place, he may plead it, as he would plead a tender in bar of damages and costs, by bringing the money into court. (*Caldwell v. Cassady*, 8 Cowen, 271.) And in another case (*Foden v. Sharp*, 4 Johns. R. 183) the court said, that the holder of a bill of exchange need not show a demand of payment of the acceptor, any more than of the maker of a note. It is the business of the acceptor to show, that he was ready at the day and place appointed, but that no one came to receive the money, and that he was always ready afterwards to pay.

This doctrine may, therefore, be considered as very general, if not universal, in America, for similar decisions have been made in Massachusetts, Virginia, New Jersey, and Tennessee.

*When Demand at a Particular Place is required.*

But the position of the drawer of a bill, and of the indorsers on bills or notes, is different. Their undertaking to pay is conditional. The receiver of a bill or note is understood thereby to contract with every other party who would be entitled to bring an action on paying it, that he will present it, in proper time, to the drawee for acceptance, when acceptance is necessary, and to the acceptor, or, in case of a note, to the maker, for payment, when the bill or note has arrived at its maturity, and is payable; that he will allow no extra time for payment to the acceptor or maker; and will give notice in a reasonable time, and without delay, to every such person, of a failure in the attempt to procure a proper acceptance or payment. Any default or neglect, in any of these respects, will discharge every such person from responsibility, on account of a non-acceptance or non-payment; and will make it operate, generally, as a satisfaction of any debt, demand, or value for which it was given.

If, therefore, the holder means to hold the drawer or indorsers, when the bill or note is payable at a particular place, he must strictly conform with the tenor of the instrument, and present it for payment at that particular place; but if he has done so, and payment is refused, he is not bound to make any personal or other demand upon the acceptor or maker at his dwelling-house, or at his place of business, even if he reside in the same town or city. This rule, however, holds only when upon the face of the bill it is *originally* made payable at a bank or any other particular place.

But if the bill be not so originally made payable at a particular place, but the acceptor made it so payable, it is a qualified acceptance, and if the holder has accepted of it, he did so at his own risk, and the drawer and indorsers will be discharged, unless the holder gave notice of this qualified acceptance to the antecedent parties, and had the bill protested for the non-acceptance according to the tenor of the bill, and such parties had, after notice, adopted or acquiesced in the conditional or qualified acceptance. (Story on Bills, § 240.)

*Notes Payable at a Bank.*

If a bill or note be payable at a bank, and the bill or note is at the bank on the day of payment, and if any person is there authorized to receive payment and give up the note, it is sufficient to charge the indorser; and if the banker be himself the holder, it is sufficient for him to see whether he has effects in hand, and proof that the note at maturity was in the bank and not paid is sufficient evidence of a presentment. And in such a case the plaintiff need not prove a non-payment; the burden of proving a payment is on the defendant; nor is it necessary, in such a case, for the holder to prove negatively that the maker had no funds in the bank. If he had funds in the bank at the time, it is matter

of defence, and must be proved by the indorser. And, on the other hand, the indorser would be discharged if the note were not at the bank on the day of payment, although a personal demand were made on the maker. (*Gillett v. Arnill*, 5 Denio, 88.)

*To whom Presentment is to be made.*

It is, generally speaking, requisite that presentment for acceptance should be made to the drawee personally, if possible, but in cases of presentment for payment it is not necessary. When, upon a presentment for acceptance, the drawee should not happen to be at his house or counting-room, but be temporarily absent, and no one there should be authorized to answer, the holder is not bound to consider it as a refusal to accept, but he may wait a reasonable time for the return of the drawee; and even waiting and presenting the bill anew on the next day will not be unreasonable. But no such delay to the next day is allowable, if the acceptor or promisor is not at home on the day when the bill or note becomes due; and if there be no one then ready at the place to pay the bill or note, it should be treated as dishonored, and protested for non-payment. However, if at the time of calling for payment the acceptor or promisor is out, the holder may wait and call again, if he choose, at any reasonable hour of the *same day*, before he is obliged to treat the bill or note as dishonored.

*Bills and Notes payable on Demand.*

If a bill or note is payable *on demand*, or is indorsed after it is *overdue*, payment should be demanded within a reasonable time, in order to charge the indorser. What is reasonable time depends upon circumstances, and is a question to be decided in each particular case. But such a note or bill must not be locked up, and kept out of circulation, or the loss of payment will fall upon the holder. If A take a bill or note payable to bearer on demand, for a preëxisting debt, and, instead of putting it into circulation or presenting it for payment in a reasonable time, keep it by him, and such bill or note be afterwards dishonored, the debt will be considered as extinct, and the loss will fall upon A. And it will make no difference, though the person by whom the bill or note was to be paid had stopped payment, and would not have paid it if presented, unless it could also be shown that the person giving the bill or note to A knew that the person who was to pay it had stopped payment, so as to make it a fraud in him to give it to A. (*Camidge v. Allenby*, 6 Barn. & Cres. 373.)

In Massachusetts it has been established, by statute, that a note on demand must be presented within sixty days, in order to charge the indorsers.

In other States cases have been decided different ways. It was held in New York, that a presentment for payment five months after the date of the note was unreasonable delay. And in Maine (see *Lord v. Chadbourne*, 8 Greenl. 198) it was held, that, where a note payable on demand is indorsed, and the indorser requests the indorsee "not to call

on the maker at present," this will not justify the indorsee in not calling on the maker till after six months from the time of indorsement. But it was said in the case of *Kneeland v. Hyde*, 2 Hall, 429, by the court, in New York, "that the rule requiring a presentment within a *reasonable time* was intended for, and is applicable to, negotiable instruments made *for commercial purposes only*. It was not intended for cases of suretyship, or notes of a like description." In this case the note was given for money borrowed "with interest from date," and interest on the note was paid at the end of the year and indorsed on the note, and payment was demanded two years after the date of the note. The indorser was held liable.

A note transferred after it is due is to be considered a note payable on demand, and is subject to the rules applicable to such a note. (*Van Housen v. Van Alstyne*, 3 Wendell, 75.)

---

## CHAPTER VII.

### PROCEEDINGS ON NON-ACCEPTANCE OF BILLS, AND NON-PAYMENT OF BILLS AND NOTES.

THE holder of a bill which has been refused acceptance, no matter whether this refusal has been absolute, or qualified, or conditional, and the holder of a bill or note which has been refused payment, must thereupon take certain requisite steps for the purpose of securing to himself the right of claiming the amount of the bill or note from other parties to the instrument. In the case of a bill the drawer and the indorsers, and in case of a note the indorsers, are conditionally liable to pay to the holder the sum of money mentioned in the bill or note. What these conditions are, we have already stated, and considered the duties of the holder of a bill or note before it has been refused acceptance or payment. We will now state the duties of the holder subsequent thereto.

#### *Protest.*

Immediately upon the drawee of a *foreign* bill refusing to accept it, or offering a qualified or conditional acceptance, it is the duty of the holder to have the bill duly protested, and notice thereof given to the drawer and the indorsers, to whom he looks for payment. If he neglects to do this, they will not be obliged to pay the bill. The same duty devolves upon the holder of a bill or note, in case of non-payment of the instrument.

A protest is a solemn declaration on behalf of the holder, drawn up by an official person, against any loss to be sustained by the non-acceptance or the non-payment of a bill. This protest is required to be made out and drawn up by a notary public, if there be one in or near the place where the bill is to be accepted or is payable. If there be none, then

it is sufficient, that a respectable inhabitant of the place should perform the duties of the notary, in the presence of two witnesses. The form of the protest should be in conformity with the law or usage of the place.

### *Manner of Protesting.*

Mr. Kyd, in his work on bills of exchange, describes the duties of the holder and of the notary public as follows: — “If the person to whom the bill is addressed, on presentment, will not accept it, the holder is to carry it to a person vested with a public character, who is to go to the drawee and demand acceptance in the same manner as before; and if he then refuse, the officer is there to make a minute on the bill itself, consisting of his initials, the month, the day, and the year, with his charges for minuting. He must, afterwards, draw up a solemn declaration, that the bill has been presented for acceptance, which was refused, and that the holder intends to recover all damages which he, or the deliverer of the money to the drawer, or any other, may sustain on account of the non-acceptance [or non-payment]. The minute is, in common language, termed the *noting* of the bill; the solemn declaration, the *protest*; and the person whose office it is to do these acts, a public notary; and to his protestation all foreign courts give credit. In making a protest, therefore, there are three things to be done, the noting, demanding, and drawing up the protest. But the noting is unknown in the law, as distinguished from the protest; it is merely a preliminary step, and has grown into practice only in modern times. The party making the demand must have authority to receive the money; and in case that be refused, the drawing up of protest is mere matter of form, the demand being the material part. The demand of payment of a foreign bill *must* be made *by the notary public himself*, and not by his clerk.”

It is not necessary in the United States that the noting be done at the place where the bill is presented, but it is generally done in the office of the notary.

### *English Form of Protest.*

The form of an English protest for non-acceptance is as follows: —

“On this twenty-fifth day of November, one thousand eight hundred and fifty-one, I, Thomas Palgrave, Notary Public duly admitted and sworn, dwelling in Liverpool in the County of Lancaster and Kingdom of Great Britain, at the request of the holders thereof,

“Did exhibit the original bill of exchange, whereof a true copy is on the other side, to a clerk in the counting-house or office of ‘Messrs. Jones & Co., No. — Cook street, Castle street, Liverpool,’ [or to Mr. Jones, one of the firm of Jones & Co., as the case may be,] the persons on whom the same is drawn, and demanded acceptance thereof, when I received for answer that the said bill would not be accepted.

“Wherefore I, the said Notary, at the request aforesaid, have protested and by these presents do protest against the drawers and indorsers of the said bill and all others concerned for all exchange, re-exchange, and

all costs, damages and interest, present and to come, for want of acceptance of the said bill.

“ Which I attest.

“ Protest 10s. 6d. (Seal.) “ THOMAS PALGRAVE,  
Notary Public.”

[Copy of the bill inserted with the names of all the indorsers.]

### *American Form of Protest.*

The form of an American protest is as follows : —

[Prefix an exact copy of the bill of exchange or note, with the names of all the indorsers.]

### COMMONWEALTH OF MASSACHUSETTS.

“ Suffolk ss.

“ On this twentieth day of September, in the year of our Lord one thousand eight hundred and fifty-two,

“ I, John Brown, Notary Public, by legal authority admitted and sworn, and dwelling in the city of Boston, at the request of the holders [or give the names], of the city of Boston, went with the original bill of exchange, of which the foregoing is a true copy, to the counting-house of George White, and presented the same to the said White for acceptance, when I received for answer, that the same would not be accepted [or whatever the real state of the facts may be].

“ Wherefore I, the said Notary, at the request aforesaid, have protested and by these presents do solemnly protest against the drawer of said bill of exchange, indorser, and all others concerned therein, for exchange, re-exchange, and all costs, charges, damages, and interest, suffered and sustained or to be suffered and sustained, by reason or in consequence of the (non-acceptance) of said bill of exchange.

“ This done and protested in Boston aforesaid, and my notarial seal affixed, the day and year last written.

(L. S.)

“ JOHN BROWN, Notary Public.”

It is highly important that a copy of the bill should be prefixed to all protests, with the indorsements thereon, *verbatim*, whenever practicable and that the reasons given by the drawee for non-acceptance or non-payment should also be stated in the protest. The time of drawing up the protest and the form of it, is according to the law of the place where the protest is made. In England and America, the protest is noted on the very day of the dishonor, although it may not be drawn up in form on that day. A mere noting of the bill, without an actual protest for non-acceptance or non-payment will not suffice.

A protest on part of the holder is essential upon the dishonor of a foreign bill of exchange, in order to hold the drawer and indorsers liable; even if he have lost or misplaced the bill of exchange, he should still apply for acceptance thereof, and, upon refusal, protest the bill. But if the protest be prevented from being made in due time, or at all, by an inevitable accident, or by superior force, or by a dangerous infectious



disease, it will be a legal excuse. The want of protest is also excused by proof that the drawer (or the indorsers) requested that, in case of the dishonor of the bill, no protest should be made; or that the drawer had no funds in the drawee's hands, and had no right to draw the bill. So a promise to pay the bill, after a full knowledge of the fact that no protest was made, or a partial payment with such knowledge, will be a waiver of the protest.

In regard to *inland bills*, a protest is not, in general, necessary, unless it be made so by the local municipal law. We have already stated, that a bill drawn in one of the United States upon a resident in another State, is considered a *foreign bill*. (Kent's Comm., Lect. 44, p. 94.) Although the English law, requiring protest and notice of non-acceptance of foreign bills, has been adopted and followed as the true rule of mercantile law in the States of Massachusetts, Connecticut, New York, Maryland, Virginia, North Carolina, South Carolina, etc., the Supreme Court of the United States have held (see *Brown v. Barry*, 3 Dallas's R. 365) that in an action on a protest for non-payment on a foreign bill, protest for non-acceptance, or a notice of the non-acceptance, need not be shown, and that protest for non-payment is sufficient. This decision has been followed in Pennsylvania. (Kent's Comm., Lect. 44, p. 95.) But Judge Story, in his work on bills of exchange, remarks, that this would now be held law by the Court of the United States, only upon the ground of the local law of Pennsylvania as to bills drawn or payable there.

The place of protest for non-acceptance should be the place where the bill is to be presented for acceptance.

#### *In Case of Non-payment.*

We have stated before, that when a bill has been accepted, demand of payment must be made when the bill falls due, which is on the third day of grace, and we have also stated when and where, and by whom and to whom, it must be presented for payment. When payment is refused absolutely, or if only part payment is made, or if the tenor of the bill is not complied with, it becomes necessary for the holder that protest should be made, and due notice be given to the drawer and indorsers, stating the facts, exactly as in the case of non-acceptance of foreign bills. The place of the payment of the bill is that where the protest is to be made, and the law of that place is to govern, as to the time and formalities and acts of protest. By the law of England and America, the protest should be made on the last day of grace.

#### *The Law of the Place of Contract governs.*

We have already stated that the protest is to be made at the time, in the manner, and by the persons, prescribed in the place where the bill is payable. But as to the necessity of making a demand and protest, and the circumstances under which notice may be required or dispensed with, these are incidents of the original contract, which are governed by the law of the place where the bill is drawn. They constitute implied conditions, upon which the liability of the drawer is to

attach, according to the law of the place where the contract was entered into. And if the bill is negotiated, the like responsibility attaches upon each successive indorser, according to the law of the place of his indorsement; for each indorser is treated as a new drawer. (Story on Bills, § 176.) The consequence is, that the indorser may render himself liable, upon a dishonor of the bill, for a much higher rate of damages than he can recover from the drawer. (3 Kent's Comm., 115.)

The drawer and indorsers do not contract to pay the money in the foreign place on which the bill is drawn, but only to guarantee its acceptance and payment in that place by the drawee; and in default of such payment, they agree, upon due notice, to reimburse the holder, in principal and damages, at the place where they respectively entered into the contract. (2 Kent, 459, 460.)

If, therefore, a negotiable bill of exchange is drawn in Massachusetts on England, and is indorsed in New York, and again by the first indorsee in Pennsylvania, and by the second in Maryland, and the bill is dishonored, the holder will be entitled to damages according to the law of the place where the respective contract has been entered into, and as the laws as to damages in these States are different (in Massachusetts it is *five* per cent., in New York *ten* per cent., and in Pennsylvania *twenty* per cent.), the holder could recover from the drawer only five per cent., whilst the indorser in Philadelphia would be liable to twenty per cent. damages. (See Story on Conflict of Laws, § 312.)

The acceptor's liabilities are to be determined by the law of the place where acceptance has been made. (See *Rothschild v. Currie*, 1 Adolph. & Ellis, New R. 43.) But where the bill is payable in a different place from that of acceptance, the law of the place of payment will govern as to the time when the payment of a bill is to accrue, so that the days of grace (if any) are to be allowed according to the law or custom of the place where the bill is to be paid. (*Bank of Washington v. Triplett*, 2 Pet. Sup. C. R. 30, 34.)

When a note or contract is made in one country for payment of money in another country, and by the laws of the latter a stamp is required to make the contract valid, and it is not so by those of the former, a stamp is not required, in such a case, to give it validity; for the instrument, as to its form and the solemnities and formalities attending its execution, is to be governed by the laws of the place of contract, and not by the laws of the place of payment; but the laws and usages of the place where the obligation is to be fulfilled must regulate the performance. (Story on the Conflict of Laws.)

#### *Notice to Parties.*

Another important duty of the holder of a bill, in case of a failure of acceptance or payment, is, that he give immediate notice thereof to the drawer, or maker and indorsers, if he means to hold them answerable for the payment.

We have stated, that bills payable a certain number of days after date need not be presented for acceptance, although it is usual and prudent to do so, but if they have been presented for acceptance, and been refused,

then it becomes the bounden duty of the holder to make protest and give notice, in the same manner as he would upon a bill payable at so many days after sight.

The question is, What is *due notice* of the dishonor of a bill? As a promissory note may be considered as a bill of which the maker is the drawer, drawee, and acceptor, the same rules as regards *due notice*, upon the non-payment of a note, to the indorsers of the same, hold good and are applicable. What we shall state on the question of *due notice* will therefore equally apply to notice after non-acceptance of bills and the non-payment of bills and notes.

Notice must be given within a reasonable time after the dishonor and protest, if there be one, and due diligence must be exercised for this purpose. Where this reasonable time is positively fixed by the law of the particular country or State, it must be strictly followed. Although the protest must be made according to the law of the place of acceptance and payment, as the case may be, yet notice to the drawer must be given according to the law of the place where the bill was drawn, and to the indorsers according to the law of the place where the indorsements were respectively made. (Story on Bills, §§ 284, 285, 382 to 385; Chitty & Hulme on Bills, 9th ed., pp. 167-171.) In other cases, the reasonableness of the time of notice depends on the particular circumstances of each case; but in general it may be said, that where there is a regular intercourse carried on between the two places, whether by post or by packet-ships or steamers sailing at stated times, the notice should be sent by the next post or ship after the dishonor and protest, if a reasonable time remains for writing and forwarding the notice; and where there are none but irregular communications, that which is most probably and reasonably certain and expeditious should be resorted to. If the usual mercantile intercourse is by post or mail, that mode alone should be adopted, though others may concurrently exist. (Story on Bills, §§ 287, 382, 383.) But whatever be the mode of notice, *the time* of its transmission should be marked, because it must be proved with sufficient precision; for where a witness testified that he gave notice in two or three days after the dishonor, notice in two days being in time, but notice on the third day being too late, it was held not sufficient evidence to go to the jury, and the plaintiff was nonsuited, for the burden of proof of reasonable notice is on him. (2 Greenleaf on Evidence, § 186.)

If the post or mail is the proper mode of giving notice, it need not be sent on the day of dishonor, but it should go by the *next practicable post after that day*, having due reference to all the circumstances of the case. The same rule applies to successive indorsers, each one being generally entitled to at least one full day after he has received notice, before he is required to give notice to any antecedent indorser, who may be liable to him for payment of the bill or note. If the dishonor and protest be on Saturday, notice by the post or mail on Monday is early enough.

#### *Notice to Persons living in the same Town.*

We must, however, take into consideration whether the parties to

whom notice is to be given reside in or near the town or place where the dishonor occurs. In such cases the rule is, that notice, whether given verbally or by a special messenger, or by the local post called the penny post, should be given to the parties upon the day of the dishonor, or, at furthest, upon the succeeding day, early enough for it to be actually received by them before the expiration of the same day. Where, by general usage, the hours of business are known, such notice ought to be given within such reasonable time as may insure a delivery to the party on that very day. Chitty says: "When the parties reside in the same town, the holder, or other person to give the notice, must, on the day after the dishonor, or on the day after he received notice, cause notice to be actually forwarded by the post, or otherwise, to his next immediate indorser, sufficiently early in the day, that the latter may actually receive the same before the expiration of that day; and therefore, in London, if a letter containing such notice be put in the post-office after five o'clock in the afternoon of the second day and, in consequence, it is not received till the morning of the third day, the party who ought to have actually received the notice on the second day will be discharged. In London the local post (usually termed the two-penny post) forwards letters to be delivered in the metropolis three times within the same day, namely, at eight, two, and five o'clock; and letters put into any receiving-house before either of those hours ought regularly to be delivered the same day. But when out of the metropolis, and within ten miles, there are only two deliveries in each day to and from the metropolis; and a letter put into any proper office in London before five o'clock in the afternoon will be delivered on the same day, at any place within such distance of ten miles; and a letter put into a country office within that distance before four o'clock ought properly to be delivered in London on the same day. The holder, or party forwarding the notice, may give it verbally, or he may put a letter in the two-penny post, directed even to an indorser who resides in the same street. If he send notice by a private hand, it must be given or left at the indorser's residence before the expiration of the day; if to a banker, during the hours of business; but to another person, the hour is not material. If, by an irregularity in the post-office, a letter put in in due time be not delivered till the third day, it should seem that such laches will not prejudice."

#### *American Rule.*

The general rule in America is, that, where the residence of the party who is bound to give notice, and that of the party who is entitled to receive notice, are in the same city, town, or place, such notice put in the post-office is *not* sufficient, but it must be served *personally*, or be left at the house or place of business of the person to be notified. This rule has been expressly decided by the courts of several States. See *Green v. Darling*, 3 Shep. 143; *Kramer v. M'Dowell*, 8 Watts & Serg. 138, where the court say: "The rule is, that in the same town or city at least, unless when they become larger than Pittsburg, the notice to be given by one inhabitant to another must be served personally, or by leaving it at the house or place of business of the person to be notified."

And the Court in New York, in the case of *Ireland v. Kip*, 10 Johns. 490, and same case in 11 Johns. 231, the facts of the case being, that notice had been put in the post-office of the city of New York, both parties residing in New York. Spencer J., says, in delivering the opinion: "We are of opinion that the delivery of such notice at the post-office, unaccompanied with *proof* that it was *actually* delivered at the house, is not notice." And alluding to the case of *Scott et al. v. Lifford*, 1 Camp. 249, where the Court of King's Bench decided that notice sent by the penny-post was sufficient, without sending a special messenger, the learned judge proceeds: Whatever the rule in foreign countries may be, "the invariable rule with us is, that, when the parties reside in the same city or place, notice of the dishonor of bills or notes must be personal, or something tantamount, such as leaving it at the dwelling-house or place of business of the party, if absent. If the party to be served with a notice resides in a different place or city, then the notice may be sent through the post-office to the post-office nearest the party entitled to notice." The like doctrine may also be inferred from 2 Pick. 125, *New England Bank v. Lewis*.

It has been decided in Alabama, in the case of *Gindrat v. Mechanics' Bank*, 7 Ala. 324, that it is competent for a bank to establish a rule that notice of the dishonor of bills holden by the bank may be given through the post-office to parties resident in the same place, and the rule would be binding upon parties to all bills made payable at that bank.

But in Massachusetts and in New York it has been distinctly held, "that when the indorser resides in the same place with the party who is to give the notice, the notice must be given to the party personally, or at his domicile or place of business." *Peirce v. Pendar*, 5 Met. 355; *Ransom v. Mack*, 2 Hill's R. 587.

But a question arises whether this same rule applies, where the party to whom notice is to be given lives in the same town, if it be at a distant village or settlement, where a town is large, and there are several post-offices in the different parts of it, as is frequently the case in our large American towns.

The Court in Massachusetts has not decided this point directly, and only suggested in the case of *Peirce v. Pendar*, 5 Met. 335, that "perhaps the same rule might not apply," but adds, "Of this we give no opinion." In the case of *Chicopee Bank v. Eager*, 9 Met. 583, the question came up, but the court avoided it, by deciding it upon the ground, that, when the bank is the holder of a note made payable at its banking-house, the indorser is bound by a notice of non-payment by the maker, given conformably to the established usage of the bank, though not conformably to the general law." There was evidence in this case, that the bank always sent notices by mail to the separate village, although it lay in the same town.

In New York, in the case of *Ransom v. Mack*, 2 Hill's R. 587, the court passed on the question and said: "The rule formerly was, that notice of the dishonor of a bill or note must be served personally on the drawer or indorser, or be left at his dwelling-house or place of business; and that rule still prevails in this country when the party to be

charged resides in the same place where the presentment or demand is to be made. But where the drawer or indorser resides in a different place from that in which the presentment or demand is made, the old rule, which required personal service, has been relaxed, and it is now well settled, that notice may be sent by mail. The only difficulty arises from the fact that the defendant resided in the same town, though at a distance of seven miles from the bank where the note was made payable." (The court then comment on the case of *Ireland v. Rip*, which we cited before, where there was no post-office at Kip's Bay, and the notice was left at the New York post-office.) "The rule laid down in that case has never been, and should not be, applied, without some qualification, to our large country towns, which often have more than one post-office, or where, if they have but one, a portion of the inhabitants live so far from it, that they usually receive their letters and papers through a neighboring office in another town. Notice may, I think, always be sent through the post-office, wherever there is a regular communication by mail between the place of presentment or demand, and the office where the person to be charged usually receives his letters and papers.

"Whether mail service is good or not, does not depend upon the inquiry, whether the person to be charged resides within the same legal district, but upon the question whether the notice may be transmitted by mail from the place of presentment or demand to another post-office, where the drawer or indorser usually receives his letters and papers. In this case, although the defendant lived in the same town where the demand was made, and there was but one post-office in that town; yet as he lived remote from the Sackett's Harbor office in that town, and there was another office in his vicinity to which he usually resorted for letters and papers, there can, I think, be no doubt that notice might have been well served by mail."

*Notice where Parties do not live in the same Town.*

When, however, the parties to whom notice is to be given do not live in the same town or place, the following rules will hold.

In the first place, it is not necessary, in any case, to give notice, either by post or otherwise, on the very day on which the dishonor and protest take place, although the holder is at liberty to do so if he choose. He is always allowed a whole day for this purpose, and therefore it is sufficient if he sends notice, by the post or otherwise, the next day, and he has the whole day for this purpose. For instance, if the third day of grace be on Thursday, and the bill or note is protested on Thursday for non-payment, the notice may be sent on Thursday, but must be put in the post-office on Friday, so as to be forwarded as soon as possible thereafter. If this second day should be a Sunday or other recognized holiday, like Fast or Thanksgiving day, or Fourth of July, notice need not be sent till the day after, so that, if a bill or note should be dishonored on the 3d of July, notice need not be sent till the 5th, and if the 5th should happen to be a Sunday, then the 6th would be in time. And this rule holds, even though there be no post, the succeeding day, for the

place to which he is to send. And, furthermore, it has been decided that the party is entitled to the whole day; at least, that eight or nine o'clock at night is not too late. (*Jameson v. Swinton*, 2 Taunt. 224.)

Where an indorser receives notice, and is entitled to reimbursement from other parties upon the bill or note, he is also bound, like the holder, to give notice of the dishonor to those parties within a reasonable time, and each successive indorser, receiving such, has until the next day to give or send notice to the other parties to whom he may and is entitled to look for reimbursement. If an indorser receives notice of the dishonor on Sunday (or other holiday), he may treat it as if he had received it on the next day, i. e. Monday, and the notice to be given by him to any prior indorser will be sufficiently early if given on Tuesday. (*Story on Bills*, § 293.) In other words, it is deemed sufficient, if notice is sent by the next post after twenty-four hours have elapsed since his own receipt of the notice of dishonor, Sundays and other holidays not being counted; and every successive indorser, who receives notice of the dishonor of a bill, is entitled to at least one full day after he has received the notice, before he is required to give notice of the dishonor to any antecedent indorser, who is chargeable over to him upon payment of the bill or note. And it makes no difference that all the parties, to whom notice is successively given, reside in the same town; each party so receiving notice will still be entitled to a full day to give notice to the antecedent parties.

And if a bill or note has been sent to an agent or banker, for the purpose of procuring the acceptance or payment of the bill, he, too, will be entitled to the same time to give notice to his principal or customer, and to the other parties to the bill, as if he were himself the real holder, and his principal or customer were the party next entitled to notice; and the principal or customer will be entitled, after receiving such notice, to the like time, to communicate notice to the antecedent parties, as if he received the notice from the real holder, and not from his banker or agent. (*Story on Bills*, § 292.) For instance, the United States Branch Bank at Portsmouth, holding a note payable at the United States Branch Bank in Boston, signed by Pickering and indorsed by Goddard, sent it to the Branch Bank at Boston for collection. Goddard resided at Boston. The bill being dishonored, the bank at Boston sent notice of it to the bank at Portsmouth by mail, and the bank at Portsmouth sent notice by mail to Goddard at Boston. There was no delay in sending these notices; but if the bank at Boston had been the holder, he must have been notified sooner, in order to charge him. The court held that he was seasonably notified. *Story, J.* said: "All that is required by law is, that the holder should give notice to the indorser in a reasonable time after he has knowledge of the dishonor, and that there should be no laches in getting that knowledge if an agent has been employed." *United States Bank v. Goddard*, 5 Mason, 366.

But where information of the dishonor of a bill is sent to an agent who is not a party to the bill, with a request for him to give notice to a party to the bill residing in the same place with him, the agent is not allowed till the next day to give the notice, but must give it on the same day on

which he receives it. For instance, the holders of a bill in Boston sent information to their agent in New York, by mail, of the dishonor of a bill, requesting him to give notice to the drawer, who also resided in New York. The mail arrives at New York early in the morning; but the agent did not give notice to the drawers until the next day after the arrival of the mail. It was held that the drawers were discharged by this delay. *Savage, C. J.*, in giving the opinion of the court, said: "Had this agent been a party to the bill, or had he been so only nominally, by having his name on the bill for the purpose of collection, he would have been justified in withholding the information one day. But as he was the mere agent of the plaintiffs, he should have given immediate notice." And he proceeds afterwards: "It is reasonable also, that, if a party chooses to give notice through an agent, he shall cause such notice to be given as early as the defendant would have received the same notice had it been sent by mail." (*Sewall v. Russell*, 3 Wend. 276.)

A party, however, may send notice by a special messenger, instead of taking the post or other ordinary mode of conveying letters; but if he does so, it is at his own risk, for it is indispensable that the notice should reach the party for whom it is intended on the same day (although not, perhaps, at as early an hour), as he would otherwise be entitled to receive it; for if it arrived a day later, the party will be discharged, as the above case shows.

*To whom and where Notice must be sent.*

We have already stated that the drawer of a bill, and every indorser of a bill or note, are entitled to notice of the dishonor. When there are several persons who are joint drawers or indorsers, but who are not partners, each is entitled to notice; but if they are partners, notice to either or any of the partners will be sufficient; and if any of the partners be dead, notice ought to be given to the surviving partners, and notice to the administrator or legal representative of the deceased partner alone is not sufficient. (Story on Bills, § 299.)

If the drawer of a bill, or the indorser of a bill or note, be dead at the time it becomes due and is dishonored, and there be executors or administrators at that time known to the holder, notice must be given to them; but if there be no executor or administrator at the time, a notice sent to the residence of his family is sufficient; and it is not necessary to give notice afterwards to executors or administrators subsequently becoming such. (*Merchant's Bank v. Birch*, 17 Johns. R. 25.) If the party entitled to notice has become bankrupt, and assignees have been chosen, notice to the assignees is proper, and will be sufficient. But if no assignees have been chosen or appointed, notice to the bankrupt will be sufficient. If the party entitled to notice be abroad temporarily, the notice should be left at his regular residence or domicile in his own country.

If the indorser of a note, a foreigner, before it falls due, inform the holder that he is going out of the country to a foreign port, which he mentions, it will not excuse the holder for not attempting to give him



notice. He should send notice to the place where the indorser said he was going. (*Hodges v. Galt*, 8 Pick. 251.)

If the party entitled to notice has changed his residence or domicile, and his new residence is known, notice must be sent to his new domicile. But if the new residence is unknown, and cannot, upon reasonable inquiry, be ascertained, then the notice will, in point of law, be dispensed with or excused. (Story on Bills, § 305.)

The general rule is, that, where it is not known where a party lives, due diligence must be used to find out. And where such diligence is unsuccessful, it will excuse want of notice. What is due diligence depends upon the circumstances of each case. We will give several decisions on this point, which may serve as a guide.

Merely inquiring at the house where a bill is payable, is not due diligence for finding out an indorser. (*Beveridge v. Burgis*, 3 Campb. 262.)

Inquiry should be made of some of the other parties to the bill or note, and of persons of the same name. Thus inquiring for the residence of the indorser of the note, of the maker and other indorsers, is evidence of due diligence to ascertain it. (*Preston v. Daysson*, 7 La. R. 7.)

In an action against the drawer of a bill drawn at Alexandria, D. C., on New York, the bill being protested for non-payment, two letters containing notice were immediately after put into the post-office at New York, one directed to the drawer at New York, and the other to him at Alexandria; and a third notice for him was left at the counting-house of the acceptors. It did not appear that any inquiries were made as to the drawer's place of residence. He, in fact, resided at Fairfield, in Connecticut, and this was publicly known, and particularly to one of the acceptors of the bill. It was held that the notice given was not sufficient; and that the drawer was discharged, because due diligence had not been used to ascertain his place of residence. (*Barnwell v. Mitchell*, 3 Conn. R. 101.)

And in another case (*Hill v. Varrell*, 3 Greenl. 233), a bill was drawn at New Orleans on a person in York, Maine, and payable in Boston. In an action against the drawer, it appeared that no inquiry had been made to find him, when the bill was dishonored, but notice was put in the post-office directed to him at New Orleans. He in fact resided in York. The court held that due diligence had not been used, and Mellen, C. J., who gave the opinion of the court, thought that inquiry for the drawer should have been made by writing to the acceptor at York; and that if this had delayed the notice for a short time, it might still be evidence of due diligence.

From these cases it appears that there is no presumption of law that the place where a bill is drawn is the place of the drawer's residence. Therefore, if he do not in fact reside there, a notice sent addressed to him there is not sufficient, if no inquiry be made to ascertain his place of residence. In a case in South Carolina (*Moodie v. Morrell*, 1 S. Car. R. 307), a different opinion was expressed; namely, that the place where a note was drawn and indorsed shall be presumed to be the residence of both maker and indorser, for every mercantile purpose; and the use of due diligence to find out either of them there will answer the demands of the law on this subject.

But in *Massachusetts* the court have decided, in several cases, that due inquiry ought to be made of persons who may be supposed to know the residence of parties. We will cite several cases. In *Peirce v. Pendar*, 5 Met. 352, it was held, that although the notary testified "that he was not able to find the indorser or any body who could tell him where he was, that he inquired of the cashier of the bank and others, for the indorser's residence, but was unable to learn from any one where he then resided," yet as he did not make any inquiry of the maker or second indorser respecting the first indorser's residence, the notary had not used that reasonable diligence to ascertain the indorser's residence which would excuse the want of legal notice to him of the dishonor of the note.

So in *Phipps v. Chase*, 6 Met. 491, where an indorsed note, left in a bank for collection, is dishonored, and the cashier of the bank, not knowing the place of the indorser's residence, merely inquires therefor of a person having temporary charge of the post-office in the town where the bank is located, it was held that the cashier had not used due diligence to ascertain the residence of the indorser, and therefore, if due notice of non-payment is not given to the indorser, he is discharged.

When the indorser of a note dies before its maturity, it is necessary, in order to charge his estate, that notice of non-payment should be given to his executor or administrator, if there be any known to the holder, or who might be known to him on his using due diligence to ascertain. Where the notice in such a case was directed to the "Estate of Henry J. Oliver, deceased," and was put in the post-office at Boston for Roxbury, it was held to be a deficient notice, as an executor had been appointed at the time, who might have been ascertained upon proper inquiry. If the notice had been directed to "the legal representative," or to "the executor or administrator" of the deceased, without naming the executor, it might perhaps have been sufficient (see *Pillow v. Hardemann*, 3 Humph. Tennessee R. 538), because such a notice would be directed to an existing person, though not by name, yet by clear description, and that person would know that it was addressed to him. But a notice addressed to "the estate," is as applicable to the testator's heirs at law as to his executrix. But the holder of an indorsed note is only excused from giving notice to the executor or administrator of the indorser, when he neither knows, nor can by reasonable diligence know, whether there is one, or who he is, or where he resides. The use of due diligence to ascertain is all that is required. (*Massachusetts Bank v. Sarah H. Oliver, Executrix*, decided by the Supreme Court of Mass., March Term, 1853.)

In *Wheeler v. Field*, 6 Met. 290, on the last day of grace, on a note that was dated at New York, where the maker resided when the note was made, a notary public took the note to the office of F., the third indorser, to inquire for the maker and other indorsers, and was told that F. was out, but that one H., whose office was near that of F.'s, might give him information; whereupon the notary went to H.'s office; but the person who had the charge thereof knew nothing of the maker or first two indorsers. The notary then protested the note, without

making any further inquiry for the maker. It was held, in a suit by the holder against the third indorser, that due diligence had not been used to find the maker's last place of business or residence in New York, and that the indorser was discharged.

#### *Decisions in New York.*

The fact that a bill was dated at a certain place, is not evidence that the drawer resides there, so as to dispense with the necessity of making inquiries for his residence; and without due diligence in making inquiries in such a case, a notice sent to the place where the bill was dated will be insufficient. (*Carrol v. Upton*, 3 Comstock, 272.)

Notice of protest, sent by mail, directed to the drawer of a bill at the place where the bill was drawn, there being no inquiry as to the place of his residence, is not sufficient to charge him. In such a case *great diligence* is not required, but *some* inquiry must be made. (*Lowry v. Scott*, 24 Wend. 358.)

A notary, ignorant of the place of residence of the indorser of a bill, inquired of a subsequent indorser, who pretended to know the proper place, and whose interest it was to have notice sent there; but he designated the wrong post-office, and the notice was sent accordingly; it was held, that due diligence had been used, and that the notice was sufficient. (*Ransom v. Mack*, 2 Hill, 587.)

Whether a notice of protest sent by mail to an indorser who has changed his residence is properly directed, depends on the fact whether or not he was accustomed to get his letters at the place to which the notice was directed. Accordingly, where an indorser who had removed from L. to A. still lived only half a mile from the post-office in L., where he had previously received his letters, while the post-office in A. was two and a half miles from his residence, it was held, in the absence of proof as to where he in fact received his letters, that a notice directed to L. was sufficient. (*Hunt v. Fish*, 4 Barbour, 330.)

A bill was drawn and dated at New York, on persons residing there, who duly accepted it. The drawers, however, actually resided at Petersburg, Va. The bill was protested for non-payment, and on the same day, the clerk of the notary, after making inquiries, at the bank and elsewhere in New York, for the residences of the drawers, and being told that they resided at Norfolk, put two notices into the post-office, one directed to the drawers at Norfolk, and the other addressed to them in New York; it was held a sufficient notice. (*Chapman v. Lipscombe*, 1 Johnson's R. 204.)

Notice to an indorser, directed to the place where he resided when the indorsement was made, is sufficient to charge him, though in the time intermediate he may have changed his residence. Inquiries for the residence of the indorser are unnecessary, where the holder has good reason to suppose that he knows where it is. (*Bank of Utica v. Philips*, 3 Wendell, 408.)

Independent of the statute of 1835, respecting the direction of notices of dishonor of notes and bills, it is sufficient to direct a notice of dishonor to the city or town where the person sought to be charged resided at the

time he drew, made, or indorsed the instrument, unless he specifies thereon the post-office where he received his letters, and where there are several post-offices in the same town, it is not necessary to direct it to the post-office nearest the residence of the party. (*Remer v. Downer*, 23 Wend. 620.)

Where the holder of a note was apprised before it fell due that one of the indorsers was dead, and that his will had been proved, and was recorded in the surrogate's office, it was held, that a notice of non-payment addressed to the deceased indorser by mail, and not to his personal representatives, was *insufficient* to charge his estate. (*Cayuga Bank v. Bennett*, 5 Hill, 236.)

A note was payable at the plaintiff's bank, in the town of W., where the indorser did business, and received his letters. The indorser, however, resided in an adjoining town, where notice of protest was sent by mail; held sufficient, it not appearing that the plaintiff knew of any other place where the indorser received his letters, and the indorser not having specified where he wished notice of dishonor of the note to be left or sent. (*Seneca County Bank v. Neass*, 3 Comstock, 443.)

The cashier of a bank who indorses paper money for collection is a party to the same, and a notarial certificate which stated that, upon the next day after presentment, notices of protest, addressed to the drawer and indorsers respectively, were inclosed in an envelope and sent to the cashier, was held sufficient evidence of the protest in respect to all the parties, and of notice thereof to the cashier. (*Bank of United States v. Davis*, 2 Hill, 451.)

Where the drawer of a bill is partner of the house or firm upon which it is drawn, it is not necessary for the holder to prove *notice* of dishonor. (*Gowan v. Jackson*, 20 Johnson's R. 99.)

Where the indorsers and acceptors are members of the same firm, no notice of dishonor is necessary. (*Bank of Rochester v. Monteath*, 1 Denio, 402.)

If one of two co-indorsers, being joint payees of a note, but not partners, dies before maturity of the note, notice of dishonor must be given to the survivor, and to the personal representatives of the deceased, in order to charge the survivor. (*Willis v. Green*, 5 Hill, 232.)

Where the payee of a note not negotiable indorses in blank, notice to him of non-payment is not necessary. He stands to his indorsee in the relation of principal, and not of surety, and has no right to insist upon a demand of the maker and notice of non-payment. (*Seymour v. Van Slyck*, 8 Wend. 404.)

Notice of presentment and non-payment of a *check* is necessary, before an action can be brought on it against the drawer. (*Harker v. Anderson*, 21 Wend. 372.)

But it has been decided by the Court of Appeals in New York, in the case of *Bowen v. Newell*, that checks upon a bank made payable at a day different from that on which they are dated, are to be treated as bills of exchange, and as such they are entitled to three days' grace. To avoid protest for non-acceptance, and to insure payment on the day, they should be drawn with the words, "Without grace, acceptance named."

The instrument in the above case was as follows:—

“ *New York, Oct. 5, 1849.*

“Cashier of Thompson Bank:—Pay Zenas Newell, or order, two thousand dollars on the 12th instant.

(Signed,) B. SEARLS & SON.”

Indorsed, “ZENAS NEWELL.”

The Thompson Bank was in the State of Connecticut, the instrument was presented there for payment on the 12th of October, and, payment being refused, was on the same day protested, and due notice of such protest was given to the indorser. It was proved at the trial, that it was the uniform usage of the banks in Connecticut, and of the above-named bank, to pay such checks on the certain day named, and, in case of non-payment, to have them protested on that day.

The Court of Appeals held, that this instrument was a bill of exchange, and subject to days of grace; and that evidence of the usage of the banks in Connecticut was not admissible to show that, by the law of that State, the instrument would receive a different construction from that which would be given to it in New York. The demand of payment and the notice to the indorser were therefore held premature, and the indorser was held discharged.

*Notice to and by an Agent, and his Liability.*

Notice to a regularly authorized agent will be notice to the principal. But telling a man's attorney that a bill is dishonored, is no notice, unless the attorney has more than the usual powers. So where the name of an indorser on a note is signed by another person, as his attorney, under a power to indorse notes for him, a notice to the attorney is not sufficient to charge the indorser, the authority to indorse not being of itself an authority to receive notices. (*Richards v. Morgan*, 16 Martin, 89.)

Where an agent draws a bill in his own name, but for account of his principal, notice must be given to the agent, who is the drawer. Giving notice to the principal, who is not a party to the bill, is not sufficient. (*Grosvenor v. Stone*, 8 Pick. 79.)

But where a bill was drawn by the master of a ship, on account of the owners and by their authority, but in his own name, it was held that the owners were liable on being duly notified of the dishonor of the bill. (*Wallace v. Agry*, 4 Mason, 336.)

If an agent indorses a note or bill in the name of another, without authority, notice must be given either to the ostensible agent or the principal. (*Clay v. Oakley*, 17 Martin, 137.)

Agents for collection are holders for the purpose of giving notice of non-payment, or receiving the same; but such an agent, like any holder, is not bound to give notice to all the prior parties, but may give notice to his immediate indorser, who is to give notice to the other prior parties. (*Mead v. Engs*, 5 Cowen, 303; *Bank of the U. S. v. Davis*, 2 Hill, 451; *Howard v. Ives*, 1 Hill, 263.)

Agents who receive bills before maturity for collection are held to strict vigilance in making presentment for *acceptance*, and giving notice

of non-acceptance, and if chargeable with negligence, are subject to the payment of all the damages sustained by the owner. (*Allen v. Suydam*, 20 Wend. 321.)

A demand of payment of a note by a notary, or by a person having a parol authority for that purpose, or the lawful possession of the note, is sufficient; and the notary of the person authorized to make demand may give notice of dishonor. (*Bank of Utica v. Smith*, 18 Johns. 230.)

Where a bank receives a note for collection, it is bound to give notice of non-payment to the indorsers, and neglect to do it makes the bank liable. (*Bank of Utica v. M'Kinster*, 11 Wend. 475.)

Where a bank receives a note for collection, it is bound to employ a person of sufficient competency and fidelity for protesting the same. (*Smedes v. Utica Bank*, 20 Johns. 384.)

And it has been decided since in New York, that the bank is answerable for a mistake made by a notary employed by the bank in giving proper notice on the dishonor of a bill. The Court of Errors decided that a bank receiving for collection a bill of exchange, drawn in New York upon a person residing in another State, is liable for any neglect of duty occurring in its collection, whether arising from the default of its officers here, its correspondents abroad, or of agents employed by such correspondents.

This liability may be varied, however, either by *express contract*, or by *implication* arising from *general usage* in respect to such paper. It is competent, therefore, for the bank to show an *express contract*, varying the terms of its liability, or, in the absence of a judicial determination upon the point, to show that, by the usage and custom of the place, a bank thus receiving foreign paper is liable only for its safe transmission to some competent agent, and is not responsible for the acts or omissions of such agent, or of any subordinates employed by him.

The inquiry, however, in such case, is not as to the opinion of merchants, however general, as to the law of the case, but as to the usage and practice in respect to such transactions, or the *general understanding* of merchants as to the nature of the contract evidenced by their acts, so as to enable the court to give the contract a correct interpretation.

Where a debt was lost by the omission of a notary to give notice of the non-acceptance of a bill presented before maturity, it was held not to excuse a bank which had received the same for collection, that, by the law merchant of the place where the bill was presented, notice of non-acceptance was deemed unnecessary; but that, on the contrary, as the *lex loci contractus* governed in a case like it, it was the duty of the bank to have given the necessary instruction to its correspondents. The omission to give notice of non-acceptance happening through the default of a *commissioned public officer*, a notary, does not vary the rights of the parties; *pro hac vice*, he acted merely as the agent of his employers, and not in his *official capacity*. (*S. and M. Allen v. Merchants' Bank, N. Y.*, decided in the Court of Errors.)

In a recent case (*Warren Bank v. Suffolk Bank*) decided by the Supreme Court of Massachusetts, at the March Term, 1853, but not yet reported, in which the plaintiffs sought to recover of the defendants for

negligence, in not duly demanding of the maker payment of a note, left with them by the plaintiffs for collection, and where the note in question was placed by defendants in the hands of a notary public, and all the alleged negligence was on his part, it was held as follows :—

“Where the nature of the business requires the employment of a sub-agent, the bank with which a note or bill is left for collection is not responsible for the neglect or default of such agents. This rule was sanctioned and applied by the court in *Fabens v. Mercantile Bank*, 23 Pick. 382, and *Dorchester and Milton Bank v. New England Bank*, 1 Cush. 177. The question that arises in the present case is, whether *the duty of making a proper demand on the promisors of a note left for collection is one that devolves wholly upon the collecting bank, or one that may justify the appointment of a sub-agent, and whether, upon showing due diligence and fidelity in the selection of such sub-agent, the further responsibility for his defaults rests upon the sub-agent alone.*

“Upon this point there has been some difference of opinion entertained by different judicial tribunals. The cases cited from New York are supposed to be adverse to such exemption from liability for the defaults of a notary public, to whom the note or bill has been committed by the collecting bank, for the purpose of demand and protest.

“Other legal tribunals have held that such delivery of the note to a competent notary public was a case of sub-agency, and without further responsibility. (*Baldwin v. Bank of Louisiana*, 1 Louis. Ann. Rep. 13 ; 4 Wharton, 103.)

“But all that is necessary to decide in the present case is the question of the competency and effect of certain evidence offered by the defendants to show the usage of the banks in Boston, as to the mode of making a demand in case of the non-payment of notes sent to them for collection.

“It was admitted by the courts of New York, that the collecting bank would not be chargeable for the default of a sub-agent, if there had been any understanding or agreement, express or implied, that the note was to be transmitted to a sub-agent for collection. The effect to be given to the usage of banks was particularly declared by this court in the cases of *Dorchester and Milton Bank v. New England Bank*, *supra*, and *Chicopee Bank v. Eager*, 9 Met. 583.

“In the present case the defendant offered to show that it was the invariable usage of the banks in Boston, including the Suffolk Bank, where notes have been sent to them for collection by other banks, if such notes were not paid at the proper time, to place them in the hands of a notary public for demand and protest, *and that they had charged the plaintiffs, and the plaintiffs had paid, the fees of the notary in such cases.*

“This evidence of the usage and course of business was proper, and ought to have been admitted. Those dealing with the bank, and especially the plaintiffs, as to whom knowledge of the course of business was shown to exist, are bound by it, and it would authorize a jury to find, if necessary, an implied agreement or assent to the appointment of such notary public as a sub-agent for the making a demand and protest, *requiring only on the part of the collecting bank due diligence and care in the selection of a proper notary.*

"This evidence was excluded as immaterial, and for this cause the verdict is to be set aside and a new trial had."

Where a bank receives a note for collection, it is bound to use reasonable skill in making the collection, and for that purpose is bound to make a reasonable demand on the promisor, and in case of dishonor to give due notice to the indorsers, so that the security of the note shall not be lost or essentially impaired by the discharge of the indorsers. As an agent, such bank is bound to the use of reasonable skill and ordinary diligence.

In general, the rules of law in regard to the presentment of bills of exchange and promissory notes for payment, and for giving notice to indorsers, in case of dishonor, are so plain and simple, so well known by notaries public, cashiers of banks, attorneys, and brokers, that any failure to comply with them, by an agent acting in behalf of another, would carry with it such proof of either want of skill or want of diligence, as to render him liable to his principal. It is, therefore, often laid down in general terms, that where the holder of a bill or note has lost his remedy, by these means, against a responsible party, and thereby sustained damage, he has his remedy against his agent.

*But an agent is not liable for injuries that are caused by his mistake in any doubtful matter of law*, or when the law depends on statute provisions so recently passed as not to be generally known, or on decisions of courts, either not promulgated at the time, or so recently given as not to be generally known among business men. (*Mechanics' Bank at Baltimore v. Merchants' Bank at Boston*, 6 Met. 13, 25, and 27.)

It is no part of the duty of a notary to give notice of protest, and the certificate of a foreign notary is no evidence of such notice. (*Bank of Rochester v. Gray*, 2 Hill, 227.)

The notarial certificate (in New York), to satisfy the statute, must show a presentment for payment by *the notary himself*. If it state that he *caused* it to be presented, it is inadmissible. (*The Onondaga County Bank v. Bates*, 3 Hill, 53; *Warnick v. Crane*, 4 Wend. 460.)

In this case, the court say, "The duties of a notary in presenting promissory notes and bills of exchange cannot be performed by his clerk or a third person. So in *Vandewall v. Tyrrell* (Mood. & Malk. 87), where a clerk presented the bill and afterwards drew up the certificate of protest, which was signed and sealed by the principal in the usual form, Lord Tenderden said it was a void protest."

#### *Notice in Case of Guaranty.*

If there is a guaranty on a bill or note, it is not absolutely necessary, as in case of an indorser, to give to the guarantor immediate notice of the dishonor of the bill or note, but it is expedient and advisable to do so. It is only incumbent upon the guarantor to make a proper demand of the maker of the note, and upon his default, to give notice thereof to the guarantor within a *reasonable* time afterwards. What is reasonable time depends upon the circumstances of each case, and is governed by the consideration, whether the guarantor has suffered any injury by the want



of an immediate notice ; if he has, then, to the extent of that injury, he will be discharged, but not beyond the injury or loss actually sustained by him. Thus, if the maker of a note is solvent when the note falls due, and becomes insolvent before notice of his default be given to the guarantor, the latter will be discharged, because of the entire loss of a claim which he might have enforced, if he had received due notice.

In Ohio a guarantor is entitled to notice and presentment to the maker. (See Bayley on Bills, Ch. VII., sect. 2, pp. 291-294, 5th edit.)

Where one contracts in the form of a *guaranty* upon the back of a promissory note, he cannot be made liable as indorser, nor can he insist on a demand and notice, or make the want of it a defence against an action. (*Brown v. Curtis*, 2 Comst. 225.)

A guarantor of a promissory note, that is payable on demand, is discharged from his contract of guaranty by the omission of the holder to give him notice, within a reasonable time, of demand on the maker and non-payment by him ; provided the maker was solvent when the guaranty was made, and became insolvent before notice of non-payment was given ; and in such case, if notice be not given until fourteen months after demand on the maker, it is not within reasonable time. (*Whiton v. Mears*, 11 Met. 563.)

#### *Form of Notice.*

We have seen, that notice of the dishonor of a bill or note may be either *verbal*, at least where the parties are resident in the same town, or it may be by a written communication, left at the party's domicile or place of business ; and in this case it need not be given to him in person, it is sufficient to deliver it to some suitable person at his domicile or place of business ; and if it be sent by post or any other general conveyance, it is enough for the party to prove that he put the written notice, with the proper address, at the proper time, in the post-office, and it is then immaterial whether it actually reached the party entitled to notice or not.

No certain set of words or phrases is prescribed for giving such notice. All that is required is, that the notice contain a true description of the bill or note, so as to identify it, and that it states that it has been presented for acceptance, if it is a bill which has been dishonored by non-acceptance, or that it has been presented for payment, if it be an accepted bill or a note which has been dishonored for non-payment, and that it has been dishonored and protested for non-acceptance, or non-payment, as the case may be, and that the holder, or other party sending the notice, looks to the party to whom notice is sent for indemnity and satisfaction, or for payment. Nor is it essential that these statements should appear in positive and express words ; it will be sufficient if the language used imports it by a fair and reasonable interpretation. (*Story on Bills*, § 301.)

The form of notice has been the subject of frequent litigation, and it is of the utmost importance that notaries and bankers should be particular in their form. Many forms of notaries in different States merely state

that the note (describing it) has not been paid, or has been protested. According to the latest decisions in New York and Massachusetts, as well as in England, a notice ought to state also, that the note or bill was duly presented for payment at its maturity, and dishonored. But the holder may choose such language as he sees fit to convey this information, and is not bound by any certain set of words.

Before we cite the different decisions on this question, we would at once call the attention of the reader to the point, that, where a note or bill is payable at a bank, the note or bill being lodged at the bank, ready to be delivered up upon payment, and the promisor being obliged to pay at the bank, a neglect to call and pay the note is a dishonor of it, and no other special demand is necessary. A notice, therefore, that such a note is not paid, or is protested for non-payment, necessarily implies that the note has been dishonored, because the simple fact of non-payment implies demand and refusal of payment. But where a note is payable at large, it is necessary to state in the notice that *the note or bill has been duly presented, and its payment refused*, or that the instrument has been *dishonored*, which implies due presentment and refusal.

In an action brought by the United States Bank against the indorser of a note, dated July 20th, 1829, and payable at the office of the United States Bank at Chillicothe, in sixty days, it appeared that the notice of non-payment described the note correctly except in stating that it was dated September 20th, 1819; and it also appeared that there was no other note payable at the same place indorsed by the defendant, and having the same makers. It was held, that the notice was sufficient, as the defendant could not have been misled by it. (*Mills v. The Bank of the United States*, 11 Wheat. 431.)

And further, a notice sent to an indorser by a notary public, who had presented the note for payment, did not state who was the holder of the note, or at whose request the notice was sent. The notice was held sufficient. Parker, C. J., giving the opinion of the court, said: "No particular form is necessary; the great object of the notice is to put the party affected by it on his guard; and if he is informed of the two principal facts, that the note is dishonored, and that the holder looks to him for payment, he may easily acquire all other knowledge necessary for his safety." (*Shed v. Brett*, 1 Pick. 401.)

And in the case of *The Bank of the United States v. Carneal*, 2 Pet. Sup. Ct. R. 543, Story, J., giving the opinion of the court, says: "A suggestion has been made at the bar, that a letter to the indorser, stating the demand and dishonor of the note, is not sufficient, unless the party sending it also informs the indorser that he is looked to for payment. But when such notice is sent by the holder, or by his order, it necessarily implies such a responsibility over. For what other purpose could it be sent? We know of no rule which requires a formal declaration to be made to this effect. It is sufficient if it may be reasonably inferred from the nature of the notice."

It is not necessary, by our law, that the notice of the dishonor of a foreign bill of exchange should be accompanied with a copy of the protest. (*Hooker v. Anderson*, 21 Wend. 372.)

In *Gilbert v. Dennis*, 3 Met. 495, the notice sent was as follows : —

“ *Boston, May 4th, 1838.*

“ MR. LEWIS DENNIS: — Sir: I have a note signed by C. E. Bowers, and indorsed by you, for seven hundred dollars, which is due this day and unpaid; payment is demanded of you.

“ C. C. GILBERT.”

The court held this notice to be bad. In their opinion they say : —

“ In order to charge an indorser who is liable only conditionally for payment, in case of a dishonor of the note at its maturity by the maker, and notice thereof to the indorser, notice of such dishonor must be given him by the holder or his agent, or some party to the bill; mere notice of non-payment which does not express or imply notice of dishonor, is not such notice as will render the indorser liable. This notice comes from an individual, and not from a bank. An averment, therefore, that it was unpaid, did not, by necessary implication or reasonable intendment, amount to an averment or intimation that payment had been demanded and refused, or that the note had been otherwise dishonored.”

“ Suppose a note payable at a bank, in terms or by the agreement of parties, or tacit agreement arising from usage or otherwise; it is the duty of the promisor to pay it on the last day of grace. The dishonor of such note consists in the non-payment at the bank. If then, after the time of payment has elapsed, notice be given to the indorser, that the note is unpaid, it is notice that it is dishonored; whereas in a case of a private holder, in regard to a note which requires presentment and demand to fix the holder with a default, notice in the same words that it is unpaid, would not necessarily imply that it was dishonored.”

In *New York* the same question has been decided, and particularly reviewed, in the case of *Dole v. Gold*, 5 Barb. R. 490. The notice there ran as follows : —

“ *Buffalo, Sept. 8th, 1847.*

“ DEAR SIR: — A note of \$ 22.50, made by Andrew Cole and payable to your order, and indorsed by you, is due this day, and *has not been paid*. You will therefore take notice that I am the owner and holder of said note, and look to you for the payment of the same.

“ Yours, &c.

C. R. GOLD.”

The court held this notice clearly defective, because it did not contain information that the note was dishonored, or in other words, that it had been presented for payment and payment refused. The court say : “ Whatever will show the dishonor is sufficient. Where a note is made payable at a bank, or other particular place, it is the business of the maker to have funds there at the time to take it up, and if he neglect to do so, he dishonors his note, and it is sufficient to inform the indorser of that fact. No personal demand of the maker is necessary. But the maker of a negotiable promissory note, payable at large, which may be transferred *ad infinitum*, without his knowledge, does not dishonor his note until, upon due presentment and demand, he refuses or neglects to

pay it. In such case, the holder must make a personal demand, or what is equivalent to a personal demand, of the maker, before he can claim, as against the indorser, that the note is dishonored. (*Taylor v. Snyder*, 3 Denio, 145; *Gilmore v. Speis*, 1 Barb. S. C. Rep. 158.) I confess I am unable to perceive upon what ground this rule can be called illiberal. It prescribes no particular form of notice, which business men must go to a law-book to learn, and which must be adhered to even at the expense of substance. It simply requires the holder, in such language as he may choose to adopt, to inform the indorser of the fact that the maker, on being called upon, has neglected to pay the note; that the contingency upon which the indorser's promise to pay the note depended, has happened, and that his liability has become absolute; or, in other words, to do what he agreed to do as the condition of having the indorser's security. This is a condition of the contract important to the indorser, whose rights are as worthy of protection as those of the holder, and I cannot see upon what principle the courts can deprive him of its benefits. It is no answer to say that the holder cannot recover in an action against the indorser, without proving the dishonor of the paper by the party primarily liable. The indorser is not bound by his contract to incur the trouble, expense, and business discredit of a lawsuit to find out his liability. He contracted for a cheaper, fairer, and more business-like mode of information, and he has a right to it, and by the rules of fair-dealing he has a right to rely on it. And I have no doubt that, if an indorser has been induced to pay the paper indorsed by him, by a false notice of its dishonor, he may recover back the money from the party who has thus fraudulently obtained it."

The cases of *Mills v. The Bank of the United States*, and the *Bank of Alexandria v. Swann*, both decided in the Supreme Court of the United States, have been frequently cited as warring with the above principle; but upon examination it will be found, that in both those cases the notes were payable at a bank, and hence the notice saying that the notes had not been paid was tantamount to their being dishonored. The words used by the judge in delivering the opinion must be taken with special reference to the facts in the case.

The law, no doubt, requires, at the present day, that the notice should contain the information that the note or bill was duly presented and payment refused, or, in other words, was dishonored. We give below several forms of notices, which may be safely used.

Another point in giving notice which must be carefully observed is, that the note or bill dishonored should be correctly described, because much litigation has been had on that point, and a mistake in the description of the instrument may still lead to litigation.

The general rule on this point is stated to be, that a mistake in stating any fact in a notice will not vitiate it, if the person to whom it is sent is not misled by the mistake. (*Bayley on Bills*, p. 253, 5th ed.)

In the case of *Mills v. The Bank of the United States*, 11 Wheat. 431, it appeared that the notice of non-payment described the note correctly, except in stating that it was dated "*September 20th, 1819*," when the note in fact bore date "*July 20th, 1829*"; it also appeared, that there

was no other note payable at the same place, indorsed by the defendant, and having the same makers. It was held that the notice was sufficient, as the defendant could not have been misled by it.

In another case, the notice to an indorser, which was sent on the last day of grace, January 6th, called the note "*Jotham Cushing's* note"; the name of the maker being in fact *Jotham Cushman*; and also said that the note became due January 3d. In an action against the indorser, Judge Parker directed the jury to find for the plaintiff, if they believed that the defendant must, from the notice, have necessarily known what note was intended, which they accordingly did. And the whole court considered the direction correct. (*Smith v. Whiting*, 12 Mass. R. 6.)

In New York several cases have been decided on this point, which seem to be conflicting. The main point decided in *Remer v. Downer*, 23 Wend. 629, is, that it was *not* a question to be left to the jury to decide whether the written notice which was sent was upon its face a sufficient notice to apprise Remer of the dishonor, and whether it was calculated to mislead him; but that the court must decide on the sufficiency of the notice. The court further decided, that notice of non-payment of a note, erroneous in amount, and directed on its face to a person other than the one sought to be charged as indorser, is not sufficient, although it be directed on the outside to the indorser of the note by his right name.

In the case of the *Cayuga County Bank v. Warden & Griswold*, 1 Comstock, 413, the note for the non-payment of which notice was given ran thus:—

"\$ 600. Ninety days after date, I promise to pay to the order of F. L. Griswold and E. A. Warden, six hundred dollars, for value received, at the Cayuga County Bank.

"*Auburn, N. Y., January 30th, 1848.*

S. WARDEN."

(Indorsed,) "F. L. GRISWOLD.  
E. A. WARDEN."

The note at its maturity was in the plaintiff's bank, and was protested for non-payment. A notice of protest was served on each of the defendants, addressed to them separately, and was in these words:—

"\$ 600. Cayuga County Bank, Auburn, May 3d, 1843.

"SIR:—Take notice that S. Warden's note for *three hundred* dollars, payable at this bank, indorsed by you, was this evening protested for non-payment, and the holders look to you for the payment thereof.

"Your obedient servant,

"P. B. EATON, *Notary Public.*"

It was objected to the notice, that it misdescribed the note as to the amount, and in not stating that it was indorsed by the defendants jointly.

The court say: "It is well settled, in accordance with good sense, that an immaterial variance in the notice will not vitiate it. The variance must be such as that, under the circumstances of the case, the

notice conveys no sufficient knowledge to the indorsers of the identity of the particular note which has been dishonored.

"Now, having the accessory facts, namely, that this was the only note in this bank drawn by S. Warden and indorsed by the defendants, and the intimation conveyed by the figures '600' upon the margin of the notice, who can doubt but that this notice conveyed to the minds of the defendants the information that this identical note had been dishonored, although it misdescribed the note as it respects the sum for which it was made in the body of it?"

The case of *Remer v. Downer*, 23 Wend. 629, before cited, is in perfect accordance with this last case, as well as that of *Dole v. Gold*, 5 Barb. 290. In *Remer v. Downer*, the court say:—

"The judge should have decided the question himself whether the notice had been properly directed, so as to charge the indorser.

"The note in this case was drawn by Young for \$560, payable to Whitaker or order, at the Chemung Canal Bank, in eighteen months, indorsed by Whitaker and subsequently by Remer, and the notice which was sent was directed on the face of it to W. T. Williams, Cashier, informing him that Young's note for \$999.52, indorsed by him, was protested for non-payment, and that the holders looked to him for payment. This notice was not directed to Remer, and did not describe any note that he had indorsed for Young, either as to date, amount, or time of payment. Nor did it contain any intimation that it was the note which he had negotiated eighteen months before. It is perfectly clear, therefore, that this notice must be held to be insufficient.

"Had the note itself been correctly described, I should be inclined to the opinion that the misdirection of the notice on its face would have been cured by the correct direction on the outside of the letter. But a notice, in cases of this kind, which is barely enough to put the indorser upon inquiry, is not sufficient. It should be such a notice as to convey a distinct impression that the note indorsed by him has been duly presented to the maker for payment and has been dishonored."

A notice of non-payment must show that presentment was made at the proper time and place, and that payment was refused. A notice, therefore, which stated that the note was "*this day presented for payment*," it being without date, was not sufficient. (*Wynn v. Alden*, 4 Denio, 163.) The court said in this case: "Payment of a note should be demanded at its maturity, when it becomes due and is payable; and the notice should so state. The fact of such presentment and dishonor of the note may appear in express terms, or by necessary and reasonable implication from what the notice contains, and it must appear in one form or the other, or the notice will be defective. This notice only states that the note was presented '*this day*,' and payment refused. But the notice being without date, it is impossible to ascertain, from the paper itself, what day in particular was intended."

Where the notice stated, that the note was demanded on the *fourth* day of July, the indorser was discharged. (*Ransom v. Mack*, 2 Hill, 567.)

Where the notice stated that a note, payable at a bank, was *protested*

*for non-payment* on the day of its maturity, it was held a sufficient notice. (*Cayuga County Bank v. Warden*, 1 Comst. 414. See the same case above.)

A note payable at a bank in New York, being dishonored, notice was sent to the indorser in Massachusetts, by a notary public, informing him that a promissory note, describing it, had been protested for non-payment, and that the holders looked to the indorser for payment of the same; it was held by the Supreme Court of Massachusetts, that, if such letter was seasonably put into the post-office at New York, a jury might infer therefrom that legal notice had been given to the indorser of the non-payment and dishonor of the note by the maker. (*Housatonic Bank v. Laflin*, 6 Cushing.)

A notice of protest, which stated that the note "was, on the day that the same became due, duly protested for non-payment," was held to communicate, by necessary implication, the fact that a demand of payment was made on the proper day, and at the proper place, and was refused, and was therefore a valid notice. The notice must contain such a description of the note as might have enabled the indorser to ascertain its identity, and must also communicate the fact of its dishonor. The omission to state, in a notice of protest, the time when and the place where a note became payable, are immaterial, if the facts which are stated are sufficient to convey all necessary information. (*Cook v. Litchfield*, in New York Superior Court, 1852.)

The liability of an indorser of a promissory note or bill of exchange is governed in all cases by the law of the place where the indorsement is made, and by indorsement is to be understood the contract itself, not the mere act of writing the name on the back of the instrument; the place of its effectual transfer is the place of the contract, and the law which there prevails governs its construction. The maker and indorser, living in Michigan, sent notes, indorsed and signed there, to the agent of the maker, residing in New York, to be delivered to a creditor of the maker, residing in New York, in satisfaction of his debt; the contract of indorsement was held to have been made in New York, the agent of the maker being to all intents the agent also of the indorser, for the purpose of a transfer and delivery. (*Ibid.*)

We now give several forms of notices, which may be safely followed.

*Notice where a Note, payable at a Bank or any other Place specified, has been dishonored and then protested.*

§ ——— *Boston*, ———, 1852.

Please take notice, that a promissory note dated ———, signed by ———, payable to ———, at the ——— Bank of ——— for the sum of ——— <sup>100</sup>Dollars, indorsed by you, has been dishonored, payment having been duly demanded at its maturity and refused, and that the said note has therefore been protested for non-payment, and that the holder looks to you for the payment thereof.

Yours, &c.

—————, *Notary Public.*

To ———.

It will be observed that the day when the note was dishonored has not been specified, which the common forms do, saying "has *this day been* protested." If the notice should be made out and sent on the day after the note falls due, and the notice should read "has been *this day dishonored*," it might perhaps lead to litigation, in so far as it implies that demand had not been made on the proper day, which would discharge the indorser. The aim should always be to avoid even the possibility of litigation. The notice, however, should be dated. (See *Wynn v. Alden*, before cited.)

*Notice of Non-acceptance of a Bill of Exchange to the Drawer.*

*Boston, Mass., ———, 185 .*

Take notice that a bill drawn by ———, in favor of ———, and directed to ———, at ———, for the sum of \$ ———, dated at ——— the ——— day of ———, 185 , and payable ——— days after [date or sight as the case may be], was this day duly presented to the said ——— for acceptance, and acceptance was refused. The said bill having been dishonored was duly protested [by me] for non-acceptance, and the holder looks to you for payment of principal, interest, damages, costs, and charges thereon.

Your ob't serv't,

—————, *Notary Public.*

To ———.

*Notice of Non-payment of a Bill of Exchange to the Drawer and Indorser thereof.*

*Boston, Mass. ———, 185 .*

SIR:—

Take notice, that a bill drawn by ———, in favor of ———, for the sum of ———, dated at ———, the ——— day of ———, 185 , payable ——— days after [sight or date as the case may be], directed to ——— at ———, and indorsed by, and accepted by ———, was duly presented for payment at its maturity to, and payment was demanded of, the acceptor, but was refused. The said bill being dishonored, the same was duly protested for non-payment [by me], and the holder looks to you for payment of principal, interest, damages, costs, and charges thereon.

Your ob't serv't,

—————, *Notary Public.*

To ———.

If the notice be not given by the notary, the words after protested, "by me," must of course be omitted.

*Form of Notice used in Virginia.*

*Richmond, Va. ——— 18 .*

Take notice that ——— note for \$ ———, dated the ——— day of ———, 18 , and payable ——— days after date to the order of ———, at the ——— Bank of ———, and indorsed by



\_\_\_\_\_, being due and unpaid, the same was this day presented by me at said Bank \_\_\_\_\_, and payment thereof then and there demanded, which was refused. Whereupon the said note was dishonored, and I duly protested the same for non-payment, and the holders look to you for payment as indorser thereof, for principal, interest, damages, costs, and charges.

Done at the request of the Cashier of the Bank of \_\_\_\_\_ .  
 \_\_\_\_\_ Notary Public.

To \_\_\_\_\_.

Richmond, Va. \_\_\_\_\_, 18 \_\_\_\_\_.

Take notice that a bill drawn by \_\_\_\_\_, in favor of \_\_\_\_\_, for the sum of \$ \_\_\_\_\_, dated at \_\_\_\_\_ the \_\_\_\_\_ day of \_\_\_\_\_, 18 \_\_\_\_\_, and payable \_\_\_\_\_ days after date [or sight] \_\_\_\_\_, and indorsed by \_\_\_\_\_, being due and unpaid, on this day the same was in the usual hours of business presented by me \_\_\_\_\_, and payment thereof then and there demanded, which was refused. Whereupon the said bill was dishonored, and duly protested by me for non-payment, and the holder looks to you for payment of principal, interest, damages, costs, and charges thereon.

Done at the request of the Cashier of the Bank of Virginia.  
 \_\_\_\_\_, Notary Public.

To \_\_\_\_\_.

*Notice of Non-acceptance of a Bill of Exchange to the Indorsers thereof.*

Boston, Mass., \_\_\_\_\_, 185 \_\_\_\_\_.

SIR: —

Please take notice, that a bill drawn by \_\_\_\_\_, in favor of \_\_\_\_\_, for the sum of \$ \_\_\_\_\_, dated at \_\_\_\_\_, the \_\_\_\_\_ day of \_\_\_\_\_, 185 \_\_\_\_\_, and payable \_\_\_\_\_ days after [date or sight as the case may be], directed to \_\_\_\_\_ at \_\_\_\_\_, and indorsed by \_\_\_\_\_, was duly presented for acceptance to the said drawee, and acceptance was refused. The said bill, having been dishonored, was protested for non-acceptance, and the holder looks to you for payment of principal, interest, damages, costs, and charges thereon.

Your ob't serv't,

\_\_\_\_\_, Notary Public.

To \_\_\_\_\_.

*What will excuse the Want of Presentment or Protest and Notice of Dishonor.*

When the presentment of a note or bill, at the proper time, was impossible by reason of unavoidable accident or by superior force, such as the prevalence of a malignant disease, the sudden illness or death of the holder, the stoppage of the mail or road by freshets, etc., war, or other circumstances interrupting the intercourse between place and place, — in

these cases the law excuses delay, and a subsequent presentment, when it becomes possible, will be good. And the like causes will excuse unseasonable notice of the dishonor to drawer or indorser, provided that due notice be given as soon as the above reasons for delay are removed.

Want of notice of dishonor to a drawer of a bill is excused, in the holders or any other party, if they are mere accommodation holders or indorsers to and for him, provided he does not sustain some special loss or injury from the want of notice.

If the drawer has no right to draw the bill, or no reasonable ground to expect the bill to be accepted, for example, if the drawer draws the bill, without having funds in the hands of the drawee, or any expectation of funds, or any agreement, on the part of the drawee, to accept the bill, he, the drawer, is not entitled to notice, and hence will not be discharged by the want of it. But if the drawer has a right to expect to have funds in the hands of the drawee to meet the bill, or if the drawee has agreed to accept the bill, or if, upon taking up the bill, he would be entitled to sue the drawee, or any other party on the bill; as if he be an accommodation drawer for the drawee or payee, or any subsequent indorsee; in such cases he is entitled to notice of the dishonor; and he will be likewise entitled to notice, although he has not sufficient funds in the hands of the drawee, to meet the whole sum mentioned in the bill. (Story on Bills, § 311, and Bayley on Bills, p. 306.)

If the drawer had effects in the hands of the drawee at the time when the bill was drawn, it has been held that he is entitled to notice of non-acceptance; although at the time when the bill was presented for acceptance and from that time until presentment for payment he had not any. (*Orr v. Maginnis*, 7 East, 359.) So, if he had effects in the hands of the drawee, when the bill was presented for acceptance, it has been held that he will be entitled to notice of non-acceptance, although he were indebted to the drawee greatly beyond the amount of such effects. (*Blackhouse v. Doren*, 2 Camp. N. P. C. 503.)

And if there be several bills in the hands of the same owner, becoming due on different days, the drawer is entitled to notice as to each, though the effects in the drawee's hands be not equal to any of the bills, and a neglect to give notice will discharge the drawer as to all. (*Thackeray v. Blackett*, 3 Camb. 164.)

But if the drawer has funds in the hands of the drawee, but voluntarily withdraws them, or if the drawer, before acceptance, orders the drawee not to accept the bill, or if he stops the goods on their way to the drawee, which were intended to discharge the bill, he will be held liable notwithstanding he received no notice. (Story on Bills, § 313.)

#### *Waiver of Notice.*

The party entitled to notice may waive his right to notice, and render himself responsible for the dishonor of a note or bill, although he received no regular notice. The general rule is, that if a person being ignorant of the *facts* in the case makes such a waiver, he is not bound by it; but if he make it with a full knowledge of all the facts, but through igno-

rance or under a mistake of the law, he will be bound by it; whether he has actually paid the bill or note, or only promised to pay it.

A promise, by the party entitled to notice, to pay the bill, and part payment of a bill or note, are deemed a full waiver of the want of due notice. But, in all these cases, the promise must be unequivocal, and amount to an admission of the right of the holder. If the offer of payment be conditional, and is not accepted, the waiver is not complete; or if the promise be qualified, the waiver cannot be regarded as absolute. This doctrine holds good both as to drawer and indorsers.

But a stipulation by an indorser to waive *notice* of dishonor does not dispense with the necessity of *demand itself*. (*Backus v. Shipherd*, 11 Wend. 629.)

Where an indorser is called upon to pay a note, and avows himself legally exonerated, but promises to pay the note and asks for time, *held*, a waiver of demand and notice. (*Leonard v. Gray*, 10 Wend. 104.)

Where the indorser, a few days before the maturity of the note, writes to the holder that the maker has failed, and represents the inutility of a suit, and asks indulgence, in such case demand and notice are unnecessary. (*Spencer v. Harvey*, 17 Wend. 489.)

Indorsers are, ordinarily, entitled to strict notice. But if the indorser is the real party to the bill, for whose accommodation alone it is drawn by the drawer and is to be accepted by the drawee, the latter having no funds of either in his hands, no notice may be required in order to charge him. (Story on Bills, § 314.) So if he is a mere accommodation indorser, and, at the time of his indorsement, he has received funds of the drawer to pay the bill, and secure him an ample indemnity, he will not be entitled to notice. But if he has received funds from the drawer for a part payment only, he will be entitled to strict notice; but the holder will be entitled to the funds, although no such notice has been given. (Story on Bills, § 316.) If there exist a prior agreement between any of the parties, dispensing with notice, either expressly or impliedly, no notice is necessary as to them.

The same rules apply to promissory notes.

The mere taking of *security* from the maker does not dispense with a regular demand and notice; *otherwise*, where the indorser takes sufficient *property* from the maker to indemnify, or takes an assignment of all the property of the maker. (*Spencer v. Harvey*, 17 Wend. 489.)

Accepting an assignment, before maturity of a note, of all the maker's property, as collateral security for indorsements, will be a waiver of notice, although it was of less value than the amount of the indorsements. (*Bond v. Farnham*, 5 Mass. 170.)

But taking security after maturity will not be a waiver of demand and notice. (*Tower v. Durell*, 9 Mass. 332.)

## CHAPTER VIII.

## GUARANTY OF BILLS OF EXCHANGE AND PROMISSORY NOTES.

A **GUARANTY** is an undertaking by one person to be answerable for the payment of some debt, or the due performance of some duty or contract, by another person, who himself is primarily liable to pay or perform the same. The guaranty of a promissory note implies the contract on part of the guarantor, that, if the note be not paid, he will pay it upon a presentation to the maker and notice given him of the dishonor within a reasonable time, which period is measured by the fact whether the guarantor has suffered any injury in consequence of the delay or want of notice. If he has suffered such injury, then he is exonerated to the extent of the damage he has sustained.

The difference between an *indorser* and *guarantor* is, that the indorser contracts to pay the note, if dishonored, in case it is duly presented for payment to the maker at its maturity, and due notice is given to him of the dishonor, and not otherwise ; but the guarantor contracts, that, upon the dishonor of the note, he will pay the amount upon a presentment being made to the maker, and notice given him of the dishonor *within a reasonable time* ; and this reasonable time is measured by the fact whether, by the omission to make due presentment at the maturity of the note or bill, and to give him due notice of the dishonor, the guarantor has sustained any loss or injury. If he has, then he is exonerated to that extent ; but if he has not sustained any injury, then he is liable for the whole amount of the note. Hence not the same punctuality in making presentment and giving notice in case of dishonor is required to charge a guarantor that there is to charge an indorser.

The question, however, now occurs, When is a person to be considered a *guarantor* and when an *indorser* ? We will not enter into a discussion on the different and conflicting decisions that have been made in different States, and particularly in the State of New York, but state the law as recognized and established by the latest decisions by the highest courts. According to them, we may state that the true rule is, that, in all cases in which an absolute guaranty is indorsed in full upon a note or bill, the maker of the guaranty is to be held neither as a maker nor as an indorser, but as a guarantor simply of the note or bill ; for instance, if the guarantor writes on the back or at the foot of the note, " For value received in cash [or whatever the consideration may be], I hereby guarantee the payment of the within [or above] note," signed, A. B.

But what the effect of blank indorsement on a note is, made by a person who is not the payee, we shall state more at large. We will first state when a note is considered a joint and several, or a joint note.

Where a note is made in the names of two persons and is signed by both, the one " as principal," and the other " as surety," it is to be deemed the joint note of both as to the payee and subsequent parties. If the language be, " We jointly and severally promise," it is the joint and several note of both. So if two persons sign a note drawn in these

terms, "I promise to pay," and one signs "as principal," and another "as surety," it will be the joint and several note of both. (Story on Promissory Notes, § 466.)

And if the note be drawn in the usual form, "I promise," etc., and signed by one person as maker, and below his signature another person should, on the face of the note, write the words, "I acknowledge myself holden as surety for the payment of the demand of the above note," and both sign the note at the same time, it has been held that both the principal and the surety were to be deemed joint contractors and joint makers of the note. (Hunt v. Adams, 5 Mass. 358.)

But if the contracts had been entered into at different times, the contract of the surety would have been deemed in the nature of a guaranty collateral to the note, and governed accordingly; that is to say, it would be treated as an independent promise, and be within the statute of frauds; and a distinct consideration should appear upon its face, according to the English and New York statute, or at least be proved according to the Massachusetts law, to make it an available contract. (Story on Promissory Notes, § 467.)

In the case of *White v. Howland* (9 Mass. 314), A made his note payable to B or order, and C and D indorsed it in these words: "For value received, we jointly and severally undertake to pay the money within mentioned to the said William White." It was held that each of the indorsers was to be treated as a joint and several promisor with A, and that the effect of the signatures of C and D was the same as if they had signed the note on the face of it as sureties.

So where a note was written, "We, A, as principal, and B, as surety, promise," etc., and the note was signed by A, and indorsed by B, the latter was held liable as joint maker. (*Palmer v. Grant*, 4 Conn. R. 389.)

In New York, in the case of *Allen v. Rightmore*, 20 Johns. R. 365, it was held, where the payee of a note indorsed thus: "For value received, I sell, assign, and guarantee the payment of the within note to A, or bearer,"—that this was an absolute undertaking, and that the payee was liable, in default of the maker to pay the note, without notice of dishonor.

In later cases, the New York courts went so far as to hold, where a note was made by E. and W., payable to W. or bearer, and before delivery P. guaranteed the payment by an indorsement thus: "For value received I guarantee the payment of the within note, and waive notice of non-payment,"—that P. was liable as a joint and several maker of the note. (*Lequeer v. Prosser*, 4 Hill, 420.) A like decision was made in *Monrow v. Durham*, 3 Hill, 584; *Curtis v. Brown*, 2 Barb. 51; and several others.

But this doctrine of construing a guaranty into a promissory note to pay money absolutely and at all events is not borne out by later cases, and it may be said that the above is no longer the New York rule, but that, where a party indorses a note or bill with a guaranty in full, it is not a promissory note, but a special promise, in the words of the statute, to answer for the debt of another person. (See *Hall v. Newcomb*, 7

Hill, 416 ; Spies v. Gilmore, 1 Comst. 321 ; Brown v. Curtis, 2 Comst. 225 ; Hall v. Farmer, 5 Den. 484.)

The New York statute provides, that every special promise to answer for the debt, default, or miscarriage of another person shall be void, unless such agreement, or some note or memorandum thereof, *expressing the consideration*, be in writing, and subscribed by the party to be charged therewith.

The Massachusetts statute provides, that no action shall be brought to charge any person upon any special promise to answer for the debt, default, or misdoings of another, unless the promise, contract, or agreement, or some memorandum or note thereof, shall be in writing and signed by the party to be charged ; but the *consideration* of any such promise, contract, or agreement need *not* be set forth or expressed in the writing, signed by the party to be charged therewith, but may be proved by any other legal evidence.

Under the New York statute it has been decided, that, where A made a note payable to B, and C indorsed it thus : " I guarantee the payment of the within," — the guaranty was void, as no consideration for the promise was expressed in writing. (Hall v. Farmer, 5 Den. 484 ; and S. C. 2 Comst. 533.) And in a recent case (Brewster v. Silence, not yet reported) it was decided by the Court of Appeals in New York, that where a guaranty was written at the foot of a note, in these words : " I hereby guarantee the payment of the above note. J. Silence," — that the undertaking of the defendant was collateral to that of the maker of the note, and therefore within the statute of frauds, and void for want of the expression in the writing of the consideration. In this case, the note was drawn and executed by the maker, and the guaranty signed by the defendant, at the same time and before it was delivered ; and the consideration of the note was a span of horses, and the sale was made on condition that defendant would guarantee the note of the purchaser for the price.

It is now, therefore, established in New York, by the highest court, that, under the statute, the consideration of a guaranty must be expressed, no matter whether the collateral undertaking for another person was made at the time when the debt of the principal was created, or at any time afterwards. The former leading case of Leonard v. Vredenburg, (8 Johns. 29) can be considered law no longer.

The law of England, like that of New York, requires that both the promise and its consideration must be expressed (see Wain v. Warlters, 5 East, 10) ; but it now differs in its application from the statute in New York in this respect, — that it is held in England, that wherever the promise to pay the debt of another is collateral to the contract of the original debtor, but is the ground of credit given to him, there need be no other consideration for the guaranty than that moving between him and the creditor, and consequently none need be expressed ; for instance, if A lets B have goods only on condition that C guarantees the payment for the same, and if thereupon B makes the note and C guarantees it by writing, " I guarantee the above," this would be a good guaranty, and no further consideration need be expressed.

It has, however, been decided in New York, that it is a sufficient expression of the consideration to satisfy the statute of frauds, to set forth in the writing that the promise is *for value received*. (Watson's Executors v. McLaren, 19 Wend. 363; Douglas v. Howland, 24 Wend. 44.) Judge Kent, however, declares that these decisions appear to reduce the statute requisition of setting forth the consideration to a mere formality. (Comm. III. p. 123, note a.)

The law of Massachusetts, that the consideration need not be expressed in writing in a guaranty, has also been adopted in North and South Carolina, Maine, Vermont, and Connecticut.

Maryland and New Jersey have adopted the English rule.

It was held in Massachusetts, in the case of Oxford Bank v. Haynes, (8 Pick. 423,) where A made a note payable to B, and C indorsed it after it was made with the words, "I guarantee the payment of the within note," that the contract of C was a guaranty, and that it was not susceptible of doubt that C was not an original promisor.

#### *Guaranties in Blank.*

We shall now state the law in regard to indorsements of guaranty in blank, that is, when negotiable paper is indorsed in blank by another person than the payee.

In Massachusetts it is well established as law, that, if a person indorses a negotiable note at the time it is made, the indorser is liable as an original promisor, or joint maker. (Baker v. Briggs, 8 Pick. 122; Austin v. Boyd, 24 Pick. 64.) But if the third person puts his name upon the note after its date, he will be liable as guarantor, if there was a consideration for the indorsement, and the payee or holder may write over the signature such an agreement as he will be able to establish, thus supplying, by parol proof, the agreement itself and the consideration. (Tenney v. Prince, 4 Pick. 385; Union Bank v. Willis, 8 Met. 505.) If there is no date to the indorsement, the legal presumption is, that all the names were signed at the time of the date of the note. (Benthall v. Judkins, 13 Met. 265.) The same doctrine prevails in New Hampshire and Vermont. (Flint v. Day, 9 Verm. R. 345; Martin v. Boyd, 11 New Hamp. 385.)

And such an indorsement, made two days after the inception of the note, but according to a previous arrangement, was held to make the party liable as original maker. (Moies v. Bird, 11 Mass. 436.)

Where, the day after the making of a note, a third person indorsed it, to enable the payee to get it discounted, and the payee afterwards wrote his name over such indorsement, and transferred the note, such third person was held liable only as indorser. (Pierce v. Mann, 17 Pick. 244.)

Where a note, *not negotiable*, is indorsed in blank by a third party, and this indorsement is made at the same time the note is made, the indorser is held liable as an original promisor or maker of the note. But if such an indorsement on such a note is made subsequently, and upon a transaction distinct from the original making of the note, the indorser



is treated only as a guarantor; but it is necessary that a distinct and valuable consideration should be proved, and then, if so proved by parol evidence, the blank indorsement can be filled up according to the proofs. (*Allen v. Kittredge*, 7 Mass. 233; *Tenney v. Prince*, 4 Pick. 385.)

In New York it has been held, that, in cases of *negotiable* notes, the third party indorsing the note when it is made is to be treated in the character of a strictly *commercial* indorser, and not as an original promisor or as a guarantor. (*Seabury v. Hungerford*, 2 Hill, 80; *Hall v. Newcomb*, 3 Hill, 433; and *S. C.* 7 Hill, 416; *Spies v. Gilmore*, 2 Comst. 322.) Due notice of dishonor must therefore be given to such indorsers.

But where the note is *not negotiable*, the court will write over the indorsement such a contract as will conform with the intentions of the parties, as shown by parol evidence, and the indorser in blank will be held accordingly. In *Seabury v. Hungerford*, 12 Hill, N. Y. R. 80, Mr. Justice Bronson, in delivering the opinion of the court, said: "If the note had not been negotiable, or if, for any other reason, the case had been such that the defendant could not, by the exercise of proper diligence, have been charged as indorser, and there had been an agreement that he would answer in some other form, then the plaintiff might have written over the name such a contract as would carry into effect the intention of the parties. When a contract cannot be enforced in the particular mode contemplated by the parties, the courts, rather than suffer the agreements to fail altogether, will, if possible, give effect to it in some other way. But they never make contracts for parties, nor substitute one contract for another."

In Louisiana it is held, that when a person, not a party to a note, puts his name on the back of it, he is presumed to bind himself as surety. (*McGuire v. Bosworth*, 1 Robinson's Louis. R. 248.)

#### *Guaranty, when negotiable.*

Where the guaranty is not made to A or order, or where it contains the name of no person on it to whom it is made, it will be construed to be limited to the first person who advances money on the strength of the guaranty. Where the guaranty is indorsed on the back of the note, and is made negotiable, as to A or order, or to A or bearer, it acquires a general negotiable character, and a subsequent holder may maintain a suit thereon. (*Watson's Ex'ors v. McLaren*, 19 Wend. 557.) And such a guaranty, it seems, amounts to the making of a new negotiable note, and the guarantor may be held as maker. (See Story on Prom. Notes, § 484.)

#### *Discharge of a Guaranty.*

A guarantor may be discharged by acts of negligence on the part of the person to whom the guaranty is given. The following acts will so discharge him:—

1. The neglect of presentment and notice, if he is apparently injured



by such neglect. If he has thereby sustained any partial loss, he will be discharged to the extent of the loss; for instance, if the maker was in good credit at the time of the maturity of the note, and has since failed, he will be discharged if no due presentment to the maker has been made, and notice been given him.

2. The guarantor will be discharged by any act of the holder which will discharge the maker.

3. Or by the holder's giving time to the maker, and thereby increasing the risk of the guarantor.

4. If the holder surrenders any collateral security, given by the maker, without the consent of the guarantor.

## CHAPTER IX.

### NOTES AND BILLS LOST OR DESTROYED.

If a promissory note or a bill of exchange has been lost or destroyed, the holder must, nevertheless, make demand of payment at its maturity, and, in case of non-payment, give due notice to the antecedent parties. But whether the promisor or acceptor and indorsers can be compelled to make payment, without a delivery or production of the note or bill, is a question on which the authorities in America differ. In England it has been held, that the holder cannot recover in a court of law, but only in a court of equity, on a negotiable note or bill lost or destroyed.

A distinction is had between negotiable and non-negotiable instruments, or those which have been specially indorsed, so that no person but the holder, who sues, could have acquired a right to sue thereon. In the latter cases, the note or bill may be recovered at law. (*M'Nair v. Gilbert*, 3 Wend. 344.)

And in an action on a lost note, where the evidence does not prove affirmatively that it is negotiable, the presumption in New York is held to be that it is not negotiable, and the plaintiff is therefore entitled in such case to recover. (*Ibid.*)

If a bill or note transferable by delivery be lost, the loser should give immediate notice thereof to the drawee, or persons who are to pay it; and if such persons afterwards pay it to a person who has not taken it *bonâ fide*, or paid value for it, they will be responsible to the loser. (*Lovell v. Martin*, 4 Taunt. 799.)

If the note or bill lost is negotiable and transferable when lost, it has been held in some States that a suit at law is maintainable against the maker, in others that it is not, and again in others it has been held that the holder may recover at law, provided he executes a proper instrument of indemnity.

It was held in Massachusetts, that, where a note has been stolen from the payee, he may still prove his demand against the maker, and enforce payment; the court, in such case, prescribing the bond to be given to the maker. (*Fales v. Russell*, 16 Pick. 315.)

But if a bill or note be destroyed by fire or other accident, an action may be brought thereon for recovery. (Bayley on Bills, p. 413.)

#### FORGED INSTRUMENTS.

When the signature of the drawer of a bill of exchange is forged, and the bill is accepted by the drawee, the latter will be bound to pay the same to a *bonâ fide* holder; and if he has paid it, he cannot recover back the money from the person to whom he paid it, although he cannot recover it back from the reputed drawer. The same doctrine applies to an acceptor *supra protest*, as to the signatures of the parties for whose honor he accepts.

But if the signature of the payee, or of any other indorser, be forged, and even if the drawer is at the same time payee and indorser, and his signature be forged, in these cases the acceptor is not bound to know their signatures, and if the indorsement under which the holder claims is forged, the acceptor is not bound to pay the bill; and if he does, the real owner is entitled to recover the amount from him and the holder. If a person not a party to a bill pays it for the acceptor, or indorser, whose name is forged, he may recover back the money from the person to whom he paid it, if he gives notice thereof on the same day to the holder. But if he does not discover it or give notice until the next day, then he is not entitled to recover back the money from the holder.

But if an indorser pays the bill under a forged indorsement of the name of a prior indorser, or of the drawer, he cannot recover back the money from any subsequent indorsee to whom he paid it, because his indorsement admits the genuineness of the antecedent indorsements, and that of the drawer. (Story on Bills, § 451.)

In cases of promissory notes, if the signature of the payee, or other indorser, under whom the actual holder claims, is forged, and the maker pays the note, such payment to the holder will be null and void, and he will be entitled to recover back the money from the holder. So, if the payee should pay the note to the holder under a subsequent forged indorsement, he may likewise recover back the amount.

But if a subsequent indorser should pay the amount to the holder, where the signature of the maker or of a prior indorser is forged, he could not recover it back, because every indorser warrants the genuineness of the signatures of the antecedent parties, both of the indorsers and maker. (See Story on Notes, § 387.)

Therefore, before the maker or an indorser pays a note, he should be satisfied that the signature of the payee or other indorser under whom the actual holder claims is a genuine signature, for if it be a forgery, the payment would be a nullity.

#### DAMAGES TO BE RECOVERED.

When the holder of a bill of exchange has complied with all the requisitions of the law, upon the dishonor of a bill, either for non-acceptance or non-payment, he is entitled to an immediate recourse against the

drawer, acceptor, and indorsers or guarantors, and to a full reimbursement of all the damages sustained by him. These different parties are liable according to the law of the place where they entered into their respective contracts; namely, the drawer according to the law of the place where the bill is drawn; the acceptor according to the law of the place of acceptance; and the indorsers and guarantors according to the law of the place where the indorsements and guaranties were made.

The acceptor, upon non-payment of the bill, is ordinarily liable to the holder only for the principal sum, and the expenses of the protest, and interest thereon from the time of the maturity of the bill, and he is not liable for reëxchange. But if the acceptor has expressly or impliedly agreed with the drawer, or with any indorser, for a valuable consideration, to pay the bill at its maturity, and has failed so to do, and the drawer or indorser has been compelled to take up the bill, and pay damages, and other expenses, he may perhaps be liable to the drawer or indorser for all such damages and expenses. (See Story on Bills, § 398, and Bayley on Bills, p. 380.)

The drawer and indorsers of bills of exchange are liable to the holder for the principal sum, and interest, and the damages and expenses incurred by the dishonor. The interest is due according to the legal rate allowed at the place where the bill is payable; and the expenses are the ordinary cost of protest and other incidental expenditures, such as postage, commission, and brokerage, if the party has been obliged to pay the holder, in consequence of the acceptor's refusal.

The damages, in the absence of any positive rule, which, however, exists in nearly all the States of the Union, are ascertained by the rate of reëxchange between the country where the bill is accepted and the country where the bill is drawn, in case of the drawer; and between the former and the country where the bill is indorsed, in the case of the indorser. If the bill has been in part paid by the acceptor, damages and interest are to be deducted in proportion.

By reëxchange is meant the amount for which a bill can be purchased in the country where the acceptance is made, drawn upon the drawer or indorser in the country where he resides, which will give the holder of the bill protested a sum equal to the amount of that bill at the time when it ought to have been paid, together with his necessary expenses and interest.

The full indemnity of the holder, hence, requires him to draw for such an amount as will make good the face of the bill, together with interest from the time it ought to have been paid, and the necessary charges of protest, postage, and broker's commission, and the current rate of exchange at the place where the bill was to be demanded or payable, or the place where it was drawn or negotiated. The law does not require an actual re-drawing, but it gives the holder the right to recover what would be the price of another new bill, with interest, and the necessary expenses, including the amount, or price, of the reëxchange. But the indorser of a bill is not entitled to recover of the drawer the damages incurred by the non-acceptance of the bill, unless he has paid them, or is liable to pay them. (3 Kent's Comm., Lect. 44.)

In order to avoid the difficulty of ascertaining what is the true rate of exchange, most of the States of the Union have provided by statute a certain fixed sum, in the place of damages and reëxchange.

The law in the different States in this respect is as follows :—

*Maine.*

The damages on bills of exchange negotiated in Maine, payable in other States, and returned under protest, are as follows (R. S. 510) :—

1. New Hampshire, Vermont, Massachusetts, Rhode Island, Connecticut, New York, 3 per cent.
2. New Jersey, Pennsylvania, Delaware, Maryland, Virginia, District of Columbia, South Carolina, Georgia, 6 per cent.
3. North Carolina, Alabama, Arkansas, Florida, Illinois, Indiana, Iowa, Kentucky, Louisiana, Michigan, Mississippi, Missouri, Ohio, Tennessee, Texas, Wisconsin, 9 per cent.

*Foreign Bills.* The damages on foreign bills of exchange returned under protest are 10 per cent.

*New Hampshire.*

No statute in force in this State allowing damages on foreign or domestic bills returned under protest.

*Vermont.*

There is no statute in this State in reference to damages on protested foreign or domestic bills of exchange.

*Massachusetts.*

The damages on bills of exchange negotiated in Massachusetts payable in other States, and returned under protest, are as follows :—

1. Bills payable in Maine, New Hampshire, Vermont, Rhode Island, Connecticut, or New York, 2 per cent.
2. Bills payable in New Jersey, Pennsylvania, Maryland, or Delaware, 3 per cent.
3. Bills payable in Virginia, District of Columbia, North Carolina, South Carolina, or Georgia, 4 per cent.
4. Bills payable elsewhere within the United States or the Territories, 5 per cent.
5. Bills for one hundred dollars or more, payable at any place in Massachusetts not within seventy-five miles of the place where drawn, 1 per cent.

*Foreign Bills.* — The damages on foreign bills of exchange returned under protest are as follows :—

1. Bills payable beyond the limits of the United States (excepting places in Africa beyond the Cape of Good Hope, and places in Asia and the islands thereof) shall pay the current rate of exchange when due, and five per cent. additional.

2. Bills payable at any place in Africa beyond the Cape of Good Hope, or any place in Asia or the islands thereof, shall pay damages, 20 per cent.

*Rhode Island.*

The damages on bills of exchange, payable in other States and returned under protest, are uniformly 5 per cent.

The damages on *foreign bills of exchange* returned under protest are 10 per cent.

*Connecticut.*

The damages on bills of exchange negotiated in Connecticut, payable in other States, and returned under protest, are as follows:—

1. Maine, New Hampshire, Vermont, Massachusetts, Rhode Island, New York (interior), New Jersey, Pennsylvania, Delaware, Maryland, Virginia, District of Columbia, 3 per cent.
2. New York city, 2 per cent.
3. North Carolina, South Carolina, Georgia, and Ohio, 5 per cent.
4. All the other States and Territories, 8 per cent.

*Foreign Bills.* There is no statute in force in Connecticut in reference to damages on foreign bills of exchange.

*New York.*

The damages on bills of exchange negotiated in this State and payable in other States, and returned under protest for non-acceptance or non-payment, are as follows:—

1. Maine, New Hampshire, Vermont, Massachusetts, Rhode Island, Connecticut, New Jersey, Pennsylvania, Delaware, Maryland, Virginia, District of Columbia, and Ohio, 3 per cent.
2. North Carolina, South Carolina, Kentucky, and Tennessee, 5 per cent.
3. Alabama, Arkansas, Florida, Illinois, Indiana, Iowa, Louisiana, Mississippi, Missouri, Michigan, Texas, Wisconsin, 10 per cent.

*Foreign Bills.* The damages on foreign bills, returned under protest, are 10 per cent.

*New Jersey.*

There is no statute in force in reference to damages on protested bills of exchange, either foreign or domestic.

*Pennsylvania.*

The damages on bills of exchange negotiated in this State, payable in other States, and returned under protest, are as follows:—

1. Upper and Lower California, New Mexico, and Oregon, 10 per cent.
2. All other States, 5 per cent.

*Foreign Bills.* The damages on foreign bills returned under protest are as follows (May 13, 1850):—

1. Payable in China, India, or other parts of Asia, Africa, or islands in the Pacific Ocean, 20 per cent.
2. Mexico, Spanish Main, West Indies, or other Atlantic islands, east coast of South America, Great Britain, or other parts of Europe, 10 per cent.
3. West coast of South America, 15 per cent.
4. All other parts of the world, 10 per cent.

#### *Delaware.*

There is no statute in force in reference to damages on domestic bills.

The damages upon bills of exchange drawn upon any person in England or other parts of Europe, or beyond the seas, and returned under protest, are 20 per cent.

#### *Maryland.*

The damages on bills of exchange negotiated in Maryland, payable in other States, and returned under protest, are uniformly 8 per cent.

The claimant is entitled to receive a sum sufficient to buy another bill of the same tenor, and eight per cent. damages on the value of the principal sum mentioned in the bill, and interest from the time of protest, and costs.

*Practice* includes the District of Columbia in this law of damages (Act of Assembly, 1785, c. 38), but it is questionable whether the District be within the law, which provides only for *States*.

*Foreign Bills.* The damages on these, returned under protest, are 15 per cent.

The claimant is to receive a sum sufficient to buy another bill of same tenor, and fifteen per cent. damages on the value of the principal sum mentioned in the bill, and interest from the time of protest, and costs.

#### *Virginia.*

Damages on bills of exchange negotiated in Virginia, payable in other States, and returned under protest, are uniformly 3 per cent.

The damages on *foreign bills* of exchange returned under protest are uniformly 10 per cent.

#### *North Carolina.*

The damages on bills of exchange negotiated in this State, payable in other States, and returned under protest, are uniformly 3 per cent.

The damages on *foreign bills* of exchange returned under protest are as follows:—

1. Bills payable in any part of North America, except the Northwest Coast and the West Indies, 10 per cent.
2. Bills payable in Madeira, the Canaries, the Azores, Cape de Verd Islands, Europe, and South America, 15 per cent.
3. Bills payable elsewhere, 20 per cent.

*South Carolina.*

The damages on bills of exchange negotiated in South Carolina, payable in other States, and protested for non-payment, are uniformly 10 per cent., together with costs of protest.

A bill drawn in South Carolina, payable in another State, is deemed a foreign bill, and damages may be claimed, although such bill be not actually returned after protest.

*Foreign Bills.* The damages on foreign bills of exchange negotiated in South Carolina are : —

1. On bills on any part of North America other than the United States, and on the West Indies,  $12\frac{1}{2}$  per cent.
2. On bills drawn on any other part of the world, 15 per cent.

*Georgia.*

The damages on bills of exchange negotiated in Georgia, payable in other States, and returned under protest, are uniformly 5 per cent.

The damages on *foreign* bills of exchange returned under protest are 10 per cent.

*Alabama.*

The damages on bills of exchange negotiated in Alabama, payable in other States, and returned under protest, are uniformly 15 per cent.

Bills payable within the State of Alabama, 5 per cent.

The damages on *foreign* bills of exchange returned under protest are 20 per cent.

*Arkansas.*

The damages on bills of exchange drawn or negotiated in Arkansas, expressed to be for value received, and protested for *non-acceptance*, or for *non-payment* after non-acceptance, are as follows (R. S. 1848, c. 25) : —

1. If payable within the State, 2 per cent.
2. If payable in Alabama, Louisiana, Mississippi, Tennessee, Kentucky, Ohio, Indiana, Illinois, or Missouri, or at any point on the Ohio River, 4 per cent.
3. If payable in any other State or Territory, 5 per cent.
4. If payable within either of the United States, and protested for non-payment, *after acceptance*, 6 per cent.
5. The damages on bills of exchange, expressed *for value received*, and payable beyond the limits of the United States, 10 per cent.

*Florida.*

The damages on bills of exchange negotiated in Florida, payable in other States, and returned under protest for non-payment, are uniformly 5 per cent.

Damages on *foreign* bills of exchange, 5 per cent.

*Illinois.*

The damages on bills of exchange negotiated in Illinois, payable in

other States or Territories, and returned under protest for non-payment, are uniformly (by Act of March, 1845) 5 per cent.

Damages on *foreign bills*, 10 per cent.

*Indiana.*

The damages on bills of exchange negotiated in Indiana, payable in other States, and returned under protest for non-payment, are uniformly 5 per cent.

The damages on *foreign bills* are 10 per cent.

*Iowa.*

The damages on bills of exchange negotiated in Iowa, payable in other States, and protested for non-payment, are uniformly 5 per cent.

No statute exists as to damages on *foreign bills* of exchange.

*Kentucky.*

There is no statute in force upon the subject of damages on either domestic or foreign bills of exchange.

*Louisiana.*

The damages on bills of exchange negotiated in Louisiana, payable in other States, are uniformly 5 per cent.

The damages on foreign bills of exchange, returned under protest, are uniformly (Statute of 1838) 10 per cent.

*Michigan.*

The damages on bills of exchange negotiated in Michigan, payable in other States, and returned under protest, are uniformly 3 per cent.

And the damages on *foreign bills* are also 3 per cent.

*Mississippi.*

The damages on bills of exchange negotiated in Mississippi, payable in other States, and returned under protest, are uniformly 5 per cent.

The damages on *foreign bills* are 10 per cent.

*Missouri.*

The damages on bills of exchange negotiated in Missouri, payable in other States, and returned under protest, are uniformly 10 per cent.

On bills payable within the State, 4 per cent.

On *foreign bills*, 20 per cent.

*Ohio.*

The damages on bills of exchange negotiated in Ohio, payable in other States, and returned under protest, are uniformly (by Act of February 15, 1831) 6 per cent.

On *foreign bills*, 12 per cent.



*Tennessee.*

The damages on bills of exchange negotiated in Tennessee, payable in other States, and protested for non-payment, are 3 per cent.

The damages on *foreign* bills, protested, are : —

1. If drawn upon any person out of the United States, and in North America, bordering upon the Gulf of Mexico, or in any part of the West India Islands, 15 per cent.

2. If payable in any other part of the world, 20 per cent.

*Texas.*

There is no statute in force in reference to damages on either domestic or foreign bills of exchange.

*Wisconsin.*

The damages on bills of exchange drawn or indorsed in Wisconsin, payable in either of the States adjoining that State, and protested for non-acceptance or non-payment, are 5 per cent.

If drawn upon a person or body politic or corporate, within either of the United States, and not adjoining to that State, the damages are 10 per cent.

The damages on bills of exchange drawn or indorsed in Wisconsin, payable beyond the limits of the United States, and protested for *non-acceptance* or *non-payment*, are (R. S. 1849, p. 263) 5 per cent, together with the current rate of exchange at the time of demand.

*California.*

By an act passed April 16, 1850, the damages on protested bills of exchange drawn or negotiated in California were fixed as follows : —

1. If drawn upon any person or persons east of the Rocky Mountains, and within the limits of the United States, 15 per cent.

2. If drawn upon any person or persons in Europe, or in any foreign country, 20 per cent.

By an act passed March 13, 1850, the rate of interest on money loaned in California was fixed at ten per cent. per annum, where there is no special contract ; but " parties may agree in writing for the payment of any rate of interest whatever on money due, or to become due, on any contract. Any judgment rendered on such contract shall conform thereto, and shall bear the interest agreed upon by the parties."

## MISCELLANEOUS.

**MANUFACTURE OF GOLD PENS.**—The gold for pens is rolled into thin slips, about the thirty-second part of an inch in thickness; in this state it is black on the surface, and looks like brass; the first operation is cutting it into stubs—short pieces pointed and angular at one end, and cut square at the other; this is done in a die. The stubs are then run through a machine, and each point is indented for the reception of the real pen points. The next operation is pointing the stubs; the substance used for points is rhodium, a hard and brittle metal, like steel, unoxidizable. It is to this metal we wish to direct particular attention.

There are various qualities of it, some worth 10, 20, 30 and 40 dollars per ounce, and Mr. Morton told us he had even paid \$120 for a superior quality. It is found in the ores of platinum associated with iridium, osmium and palladium. Iridium is used by some for the points of gold pens, but rhodium is the dearest and best. All of this metal used in the United States comes from the Peruvian or Russian mines, but Mr. Morton assured us that there was plenty of it in California, and he had seen some which had been brought from that gold land. It is also found there pure, associated with sands, and requiring no chemical manipulation for its separation, as in the platina ores of the Ural. Our gold seekers in California should direct their attention to this metal, as it is far more valuable than gold; it is of a white glassy steel color, and in minute roundish particles like sand; the round globular particles are the best for pen points; in fact, out of one ounce of this metal, perhaps not one seventieth of the granules can be used, the rest are rejected. A fine particle of rhodium is soldered on the indented point of each stub of gold; the solder is composed mostly of gold, for unless it is gold, ink soon corrodes it, and the rhodium point drops off; this is the case with poor pens made by indifferent makers.

After the pen is pointed, it is rolled out between rollers with indents in them to save the points, until the stub is drawn out to its proper length and correct thickness; the rolling also makes the gold elastic. Many suppose that gold pens can be re-pointed, and we actually had one re-pointed ourselves seven years ago, by getting it exchanged for a new one; we paid the full price, feeling conscious at that time, that our old pen had really a new point put upon it. But old pens cannot be re-pointed, for the heat employed to solder on the point, renders the gold as plastic as a piece of tin; the heat changes the relative position of the crystals of the metal—thrusts them out as it were, and the gold requires rolling or hammering afterwards to give it elasticity—that spring so requisite for pens; this is the reason why old pens cannot be re-pointed. Some makers do not hammer their pens after being rolled; they are never so good. After being rolled, they are cut to a proper form in a finish die, then stamped with the name of the maker, and afterwards turned up to the rounding quill form. This is done in the establishment above named, in a new and ingenious machine, invented by Mr. Morton, which makes a superior pen. After this the point is slit with a thin copper disc revolving at a great velocity; the great speed makes the soft metal disc cut the hard metal rhodium; the gold is slit with another machine, therefore, to make a slit in each pen; it has to undergo two operations. The point is next ground on a copper wheel revolving at a great velocity; this is a very delicate operation, and a good artist gets high wages. After this the pens are “stoned out,” that is, they are ground over on the inside and out by the fine Water of Ayr stones, by hand, on a bench along side of a tub of water; the stones are long, thin, roundish slips, and the pens have to be operated so as to make one part more thin than another, to give them the proper spring; they are then polished on swift revolving copper rollers, and afterwards finished with fine powder and soft chamois skin. Thus, to make a gold pen, it undergoes twelve operations; inferior pens can be made with less labor, but they soon develop their characteristics.—*Scientific American*.

**AUTHOR OF THE RAILWAY SYSTEM.**—Thomas Gray was born in Leeds, England, about a century or more ago, and this is all we know of his early history. The Middletown colliery had a railway to carry coals to Leeds, a distance of three miles. The cars moved along at the rate of three and a half miles per hour. It was laughed

at—not by Gray, but by the wise public. Gray saw in his little work something that might be augmented into greatness; and he thought upon the subject and forthwith became a visionary. He talked and wrote upon his project of “A General Iron Railway;” the people declared him insane. He petitioned Parliament; sought interviews with the lords and other great men, and thus became the laughing stock of all England. He received nothing but rebuffs wherever he went. All this took place in 1820, or previously.

But he succeeded at last. The railways were laid. The world was benefited by the madness of Thomas Gray.

Well, what became of him, the reader will ask! We do not know; but we believe he still lives in Exeter, to which place he removed. Up to 1846 he had been neglected. While thousands have been enriched by the consummation of his brilliant scheme, he remained forgotten—forced by poverty to sell glass on commission for a living. Howitt, in the *People's Journal*, a few years ago, gave a sketch of his career, thus bringing him into public notice. We have seen nothing in print in relation to him lately.

**THE STAMPED ENVELOPES.**—George F. Nesbitt, in the Tontine Buildings, Wall-street, the contractor for the manufacture of prepared letter envelopes, has now prepared a large quantity of them for the disposal of government, which are now ready for sale.

The envelopes are cut out by an instrument worked by steam, to the number of five hundred at a single operation. The image of Washington is stamped upon them in white bas-relief, and the rates of postage is printed in red ink. After applying the gluten, they are counted in bundles of twenty-five and sent to Washington, whence they will find their way through the postmasters to every part of the country. They are of white and buff paper, and water lined with the initials of the Post Office Department of the United States. About one hundred and fifty operatives, chiefly females, have been employed in the work. Special precautions are taken against forgery, and the abstraction of envelopes from the manufactory, for which offences the new post office laws have imposed a fine of not less than five hundred dollars, or imprisonment not exceeding five years, or both such fine and imprisonment.—*N. Y. Eve. Post.*

**SAFETY SEAL CHECKS.**—Mr. George Stimpson, Jr., Teller of the Merchants' Bank in Boston, has contrived a “safety seal check,” which is designed to make it difficult, if not impossible, to forge checks. The contrivance consists simply in providing a place upon the blank check where a private seal like a postage stamp, of any design, may be affixed by the person who signs it, on an understanding with the bank that no checks upon him not bearing the seal shall be paid. The copyright has been secured, and the Franklin Printing House, 210 Washington-street, are prepared to furnish check books upon any of the banks, and to make and print seals. The blank checks which may be used, if preferred, without the seal, are neatly printed.

**BANK CHECKS.**—The Nashville Union contains a report of a very singular case which had been on trial in the criminal court in that city. The facts are as follows:

Mr. A. L. Green was indebted to W. Young the sum of \$11.50, in payment of which Green gave him a check as follows: “Hobson & Wheless: Pay to Wm. Young or bearer, eleven and fifty dollars.” There was no dot between the eleven and fifty at the head of the check. Hobson & Wheless, presuming the check to be drawn for eleven hundred and fifty dollars, and not having so much money on hand at the time, told Young to call the next morning, as it was then past banking hours. He did so, when they gave him a check upon the Union Bank for the sum. Young drew the money, but did not attempt any concealment of the sum, but consulted several friends as to what he should do with it. One of them told him to deposit it with him for a few days, and if nothing was said that he should keep it. The presumption is, that this was done, as none of the money has been recovered. It was argued by the defence, that as the law distinctly stated that the goods must be obtained with intention at the time feloniously to steal them, the prisoner could not be found guilty, as he obtained the money without fraudulent or deceptive pretences. The judge so charged; and also if Young had not formed the intention to steal the money, and was ignorant of the amount he was to receive, he should be acquitted. The jury returned a verdict of “not guilty,” and the prisoner was discharged.

**NEW YORK CITY BANKS.**—We have heretofore noticed the practice, which is too frequently adopted by persons in the interior, of making their notes payable at a bank here where they have no account, and then remitting a check directly to the cashier to pay them. Where this is done, the bank solicited has either to bring upon itself the odium of refusing to do an act of courtesy, or else of taking considerable trouble to transact business for a stranger, without any fee or reward. Suppose a merchant here were to write to James Substance, an entire stranger in Slowville, asking him to collect a debt from John Smith, and with the proceeds pay a debt due John Brown, and remit a receipt for the same, would not his correspondent regard it as an intrusion? Suppose that Mr. Substance, being a man whose probity was generally known, should have frequent commissions of this sort, and be, once in a while, victimized out of a few hundred dollars, from having misunderstood his orders or accidentally paid the money to a wrong claimant, would he not feel that such a course of business was burdensome to himself, and that common courtesy hardly required him to undertake it? Every mail brings to our principal banks here from one to a half dozen such requests. Even if cash funds are sent, the banks cannot receive it on deposit, because the sender has no account with them, and they are obliged to hold it as a special trust and have it at hand precisely at the moment when it is demanded. For this risk and trouble they receive no equivalent, and yet no remedy has been found for the evil. To reinclose the remittance to the sender would be itself some trouble, where five or six came in one mail. It has been suggested that in all such cases payment be made as requested, and the note retained until called for, as a lesson to the owner not to trouble another with his private business. As an instance of the risk to the bank attending the performance of this forced courtesy, we may mention that a bank in Wall-street lost \$2,500 in this way through no fault of its own.—*N. Y. Jour. Com.*

**STOCK SALES.**—Before Judge Thompson.—*Dean vs. Hamilton.*—Action to recover \$100, paid on a stock-jobbing transaction.—The plaintiff had paid the defendant, through his agent, \$100, for the privilege of delivering him, sixty days after date, one hundred shares of the Erie Rail-Road stock, at \$88 per share. At the expiration of the 60 days, the plaintiff offered the stock to the defendant, and he refused to take it. A suit was then brought to recover damages for breach of the contract, and the contract was declared void, on the ground that the stock did not stand upon the books of the Erie Rail-Road Company as the property of the plaintiff, and judgment was given for the defendant. This action was then brought to recover for the money had and received by the defendant. It was admitted that the contract was void, and the question arose whether under such circumstances the \$100 paid by the plaintiff could be recovered back. The court decided that the statute expressly declares all such contracts void, but not illegal, and therefore the money paid on all such contracts can be recovered back. And the statute declares that money paid under the statute against stock-jobbing may be recovered back. Judgment for the plaintiff for \$100.

**THE CROWBAR LAW IN OHIO.**—A decision was recently given by Judge Humphreyville, of the Summit County Common Pleas, adverse, in its effects, to the Crowbar law. The following is a brief report of the case, from the Akron Standard:

*Bank of Akron vs. Frederick Wadsworth*, Treasurer of Summit County. Plaintiff filed a bill in chancery to restrain defendant, as treasurer, from collecting a tax assessed on the bank under the act of 1852. Judge Humphreyville held—

- 1st. That a bank is liable to be taxed as an individual.
- 2d. That the law of 1852 imposes taxes on banks that it does not impose on individuals or other property.

The decision virtually nullifies the "crowbar law," as far as this county is concerned.

The bank consented that judgment might go against it for the whole amount on the duplicate, and appealed to the District Court, where the question will be tried.

**NEW YORK BANKING LAW.**—*Message from the Governor, returning, with objections, a certain bill in relation to Banking Privileges.*

**HON. WILLIAM H. LUDLOW**, *Speaker of the Assembly:*

In pursuance of the provisions of the Constitution, I return to the Assembly, with my objections to its becoming a law, the bill entitled "An act to amend an act entitled an act to authorize the business of banking, passed April 18, 1838." The bill

was received by me immediately before the adjournment of the Legislature, on the 15th of April. I had, at that time, therefore, no opportunity to examine its provisions and determine upon the propriety of approving its passage. As it received a large majority in each branch of the Legislature, I desired to give it a respectful consideration, and for that purpose retained it until the re-assembling of the Legislature.

The bill provides that hereafter the stocks of the incorporated cities of this State may, subject to certain restrictions, be used as a basis for banking, and be received as securities for bills to be issued in pursuance of the General Banking Law. The Constitution of the State makes it the duty of the Legislature to restrict the power of municipal corporations to borrow money, contract debts and loan their credit. It is evident that this bill, should it become a law, would cause a demand for the stock of our cities, add largely to their value in market, and create an inducement on the part of municipal corporations to incur debts. I have with reluctance signed bills permitting some of our cities to borrow money for objects which are deemed of great importance to their interests; but this bill is more clearly in conflict with the purposes of the Constitution of the State, as it offers direct encouragement to local corporations to contract debts. Is it expedient at this time, when a highly speculative feeling pervades the community, to encourage a disposition to incur liabilities, by converting debts into a circulating medium?

It is alleged in favor of allowing the debts of cities to be used as a basis for banking, that the stocks of this State and of the United States, the use of which as a banking basis is now authorized by law, cannot be obtained for that purpose. But it will be found from the following statement, that but a small proportion of these stocks are now pledged at the Banking Department, as securities for the bank bills which have been issued and are in circulation:

The funded or stock debt of the United States amounts to .....	\$64,115,957
The funded or stock debt of the State of New York amounts to .....	23,390,802

Total.....	\$87,506,759
------------	--------------

The stocks of the General Government now pledged at the Banking Department, for the security of the billholders, amount to .....	\$5,571,172
--	-------------

The stocks of the State of New York pledged for the same purpose.....	10,184,792
	<u>\$15,755,964</u>

Leaving stocks yet applicable to banking purposes to the amount of ... \$71,750,795

For this sum there should be deducted the amount of these stocks used in other States as security for banking circulation, which may absorb five or ten millions of dollars.

It is true, these stocks command high prices in the money markets of the world, but they sell for no more than they are intrinsically worth. Their high values, and the fact that they are deemed safe and desirable investments, make them better securities for the billholders, as they insure prompt redemption under all circumstances. These stocks can be obtained at their market value, and although they pay directly but small interest to the holders, the profits of banking institutions at this time are so great that they more than compensate for any loss of interest on the securities pledged for the redemption of their notes. It is evident that the profits of banking must be limited either by judicious restraints or by competition resulting from the multiplication of banks, which will endanger our whole financial system. No better or safer plan for limiting the profits of banking can be devised than that which requires the highest and best security for the billholders, and it is no argument in favor of cheaper securities that they will increase the profits of banking, facilitate the establishment of new banks, and thus inflate the currency of the country. It is true, the increase of business makes more capital necessary in conducting it, but a large proportion of the indebtedness to the banks at this time, and the great amount of bills in circulation, are the result of speculative rather than legitimate business demands.

There are now in this State three hundred and ten banks or banking associations. Twenty-five of the institutions have been established within the past six months,

besides ten safety fund banks which have been re-organized under the provisions of the General Banking Law. This is about equal to the entire number which were established during the preceding twelve months. It appears from the report of the Superintendent of the Banking Department, that the aggregate capital of the banks of this State, on the first of December last, was \$62,207,216. At this time the capital of these institutions amounts to over \$70,000,000, showing an increase of about eight millions within six months. The profits of banking have recently been unusually large, and numerous associations are now forming in different parts of our State for the purpose of engaging in this business.

If the number of banks and the amount of banking capital shall increase hereafter as rapidly as they have during the past six months, it will give an annual increase of more than fifty banks, with capital amounting in the aggregate to about sixteen millions of dollars. While these institutions are multiplying with alarming rapidity, I can see no good reason for giving any new impulse to their creation by increasing their profits and lowering the character of the securities required by our present law for the protection of the billholder.

The stocks of this State and of the General Government have a value in the commercial markets of the world, and will therefore furnish a security for the redemption of the bills at periods when we suffer from financial revulsions; while the stocks of our cities, having only a local value and market, will be more affected by the monetary condition of the country. If our banking laws are modified to admit the use of cheaper and inferior securities, they will of course be selected on account of the increased profit which they will afford to the banker. I deem it exceedingly hazardous, at this period of speculative excitement and pecuniary expansion, to diminish the security of the billholder, or to increase the motives for the establishment of banking institutions, which are already multiplying to an unprecedented extent.

For these reasons I have not approved of the bill which I now return to you.

HORATIO SEYMOUR.

**THE MISSISSIPPI BOND QUESTION.**—As the period approaches for a decision of this question by the popular vote, the Western papers of every cast of politics are loudly calling on the people of Mississippi to erase the stain of repudiation from her annals, by the payment of the Planters' bonds. The people of that State have repudiated the Union bonds, which were said to have been issued unconstitutionally, but they have pronounced their legal and moral liability for the Planters' bonds. This popular verdict was reversed, a year since, at the ballot boxes, although a very small vote was polled. Public opinion is now coming round again to its original correctness, that the Planters' bonds ought to be paid. Mississippi had used for State purposes large dividends on this stock. She had in her treasury a fund for the payment of interest, which she refused to appropriate for this object. To redeem her character is due to consistency and good faith.

But the policy or expediency of placing her finances in a sound condition is no less involved in this question. There is now no apology from the inadequacy of her resources. The exports of Mississippi for the present year will be twenty millions of dollars. Is there any excuse for permitting a stain on her faith with so large an annual value of exports? These resources ought to form the basis of a sound system of credit. They are inadequate to complete her scheme of internal improvements, without the aid of foreign capital. The most short-sighted policy that can be imagined, is for a State to save in revenue, by the non-fulfilment of public engagements, whilst it is a borrower in the money market. It is counteractive of its own financial policy, and is in fact suicidal.

Mississippi is said to be the only repudiating State in the Union. Her associates of the South in the Confederacy should not pause in their appeals to her sense of equity. There is a common bond of interest in the maintenance of credit between the Southern States. The time may arrive when their common credit may become necessary to effect common objects. The affinities of the South are political and social, so should the South be alike on those principles of honor that lie at the prosperity of all States. The other Southern portions of the Confederacy should be unceasing in their efforts to place this subject in that position before Mississippi as will awaken her pride.



**BILLS AT SIGHT.**—It is understood that the Court of Appeals have recently decided that checks made payable at a day different from that on which they are dated, are to be treated as bills of exchange, and as such they are entitled to three days grace. To avoid protest for non-acceptance and to insure payment on the day, they should be drawn with the words "without grace, acceptance waived." Many parties who have drawn such checks will be surprised to receive a notice of protest for non-acceptance, with a charge of notarial fees, unless this caution is taken.

It may be well enough, in this connection, to mention that it has been the practice of banks to protest sight drafts twice, owing to the uncertainty as to whether they are entitled to grace. Where it is intended that all such drafts shall be paid on presentation, the words "without grace" should be inserted after "at sight."

Persons who draw notes should always put the number and street of their place of business after the signature.

Where a person accepts many drafts or gives many notes, it has been thought a good rule to make them payable at some bank, as owing to the number of banks in the city, it is impossible to hunt up a note where, as sometimes happens, through mistake or other cause, the party fails to receive a bank notice.

By far the better rule, however, could it be made customary, is to require the bank to present the notes for payment at the place of business of the maker. This is done in Paris, and with us in the case of notes laid over, as well as with the notices. The multiplication of banks and the uncertainty of the whereabouts of the payee, with the chances of getting notices, throw great trouble upon the payer, and it is quite time that the banks should step down from the domineering position, and take their chances with other people. The porter who goes around with the notices could as well present the notes, and as most merchants know what they have got to pay without notice, they would be prepared for it. Once adopted, this plan, which is that of the Bank of France, would be found infinitely the most convenient.—*New York Evening Post*.

**COUNTERFEIT NOTES.**—The Legislature of Massachusetts have recently passed an act which authorizes the Suffolk Bank of Boston to stamp in red ink all counterfeit bills that are received at that institution. This is done in large letters, "COUNTERFEIT, SUFFOLK BANK, W. G.," which effectually prevents the transfer of such note or notes to other persons. Heretofore counterfeit notes that have been detected at the Suffolk Bank, have been returned to the respective depositors; but in numerous cases, owing to fraudulent design or to carelessness, the notes have got again into circulation.

There is another species of fraud which will be partially prevented by the new law, viz., the circulation of altered bills. These will, when presented at the counter, be marked "Altered Bill, Suffolk Bank, W. G." Such notes will then be returned immediately to the bank of issue, where the original amount for which they were paid out will be allowed.

Such a law in this State would likewise have a good effect: whereby all banks in this city and interior should be allowed to stamp in large red letters all counterfeit and altered notes that might be deposited, thus preventing further circulation. It is known that the same fraudulent bill is presented several times, in many instances, much to the annoyance of depositors and of the banks. In many cases, such fraudulent notes get into circulation from ignorance or negligence on the part of the receiver or payer, and pass through many hands before final detection.

**FRAUDS ON BANKERS.**—A recent case of fraud on European bankers was detected, and the party has been convicted. At the June Session of the Central Criminal Court, opened at London, the Recorder of London, in charging the Grand Jury, made the following remarks with reference to the fraud:—

It appeared that a person having obtained a letter of credit on America, for the sum of £210, had afterward travelled to different parts of the continent of Europe, and having altered the sum mentioned in the letter to a much larger amount, he succeeded in obtaining from different bankers very considerable sums of money. The actual forgery appeared to have been committed in a foreign country, and consequently he could not be made amenable to that offence in England, but it was sought to establish the charge of attempting to obtain money by false pretences against

him, upon the fact of a bill which had been drawn upon the faith of the forged instrument abroad, being presented at a bank in London for payment. He confessed he had some doubt whether the charge could legally be supported, and there was certainly some technical difficulty in the case, but he should advise the Grand Jury not to give themselves any trouble upon the law, but if the facts were made out to their satisfaction, to find the bill and leave the question of law to be disposed of by the judges before whom the case would be tried.

It is now customary for travellers to Europe to take *circular notes*, issued here by banking firms, which are for small sums, payable to order, and cannot be readily altered. Each note has a water mark, which denotes the true amount for which it is issued.

In the case above alluded to, there is no fraud upon Messrs. DUNCAN, SHERMAN & Co., of this city. It is a fraud upon those parties who incautiously, and without due examination, paid out funds on an altered letter of credit.

**GOLD AND WAGES.**—Of the extraordinary advance in wages throughout England, &c., the *London Economist* says: One of the usual accompaniments of prosperity and high wages—strikes—are somewhat numerous at present, leaving no defect in the evidence as to what is the present condition of the country. A strike of the letter-carriers is spoken of, at which we are not surprised, for many efforts have been used to make them dissatisfied with their condition. It is not usual, however, to leave those discontented on whom the public safety is in any way dependent; and we have learned with astonishment that the demands of the armed force at Manchester have not been complied with, and that 250 resignations of the members of the police have been placed in the hands of its commander, and have not, after communication with the authorities, been recalled. At Stockport, the bulk of the factory hands have turned out for an advance of wages to the extent of ten per cent., and “ten of the smaller cotton concerns have yielded, we are told, to the demands of the factory operatives.” Other masters have declined, after an investigation into the prices paid all around them, to give the whole advance demanded, but have conceded 5 per cent. to the spinners, and 8 per cent. to the throstle spinners. The concession, great as it is, has not satisfied the hands, and they remain, to the number of ten or twelve thousand, out on strike. At Liverpool the cotton porters were out for an advance of wages, but have just returned to work; and at various places the boot and shoemakers and workers in iron have held meetings, and are taking measures to procure an advance. There has been a strike, which yet continues in some places, of the masons and carpenters, and even of agricultural laborers. The movement is directed to a diminution of the hours of labor as well as an increase of wages, and is almost general.

### BANK ITEMS.

**NEW YORK.**—The Bank of the Union commenced business on Thursday, June 30th, at the corner of Broadway and Howard-street. Uncurrent money is received on deposit on the same terms as by the Metropolitan Bank. President, James R. Del Vecchio, Esq. Cashier, Daniel R. Hitchcock, Esq.

**Island City Bank.**—The Island City Bank will commence business shortly, at No. 1 Catharine-street, corner of Division-street. President, James O'Brien, Esq. Cashier, George H. Nichols, Esq.

**Utica.**—William B. Welles, for many years the competent Cashier of the Bank of Utica, has resigned the post he has filled so well for so long a period. The resignation is to take effect on the 1st of August; and on the 20th of that month, Mr. Welles, we understand, will sail for Europe. Mr. Welles has been connected with the institution, in the capacity of Teller, Cashier of the Branch at Canandaigua, and finally as Cashier of the main bank at Utica, for thirty-eight years. In 1834, he entered upon the duties of the office he has just resigned, and which he has thus held for nineteen years.



**Rondout.**—John S. Langworthy, Esq., has been elected Cashier of the Bank of Rondout, in place of H. H. Reynolds, Esq., resigned.

**Cazenovia.**—William Burr, Esq., was, on the 14th of June, elected President of the Madison County Bank, in place of Jacob Ten Eyck, Esq., deceased.

**Albany.**—The Bank of Commerce will commence business shortly, with a capital of \$250,000. President, Stephen Clark, Esq. Cashier, E. R. Phelps, Esq., at present Deputy Treasurer of the State, and formerly Teller of the Bank of Albany.

**MASSACHUSETTS.**—The Howard Banking Company will commence business in a few weeks, at Boston, with a capital of \$500,000. President, Daniel C. Baker, Esq. Cashier, Stephen Bartlett, Esq.

**Quincy.**—Lewis Congdon, Esq., of New Bedford, has been appointed Cashier of the Mount Wollaston Bank, at Quincy.

**Lowell.**—S. W. Stickney, Esq., for many years Cashier of the Rail-Road Bank, Lowell, has been elected President of that institution, in place of B. F. French, Esq., deceased. John F. Rogers, Esq., succeeds Mr. Stickney as Cashier.

**RHODE ISLAND.**—The Directors of the new Butchers and Drovers' Bank, at Providence, on the 2d of July, elected Benjamin B. Knight, Esq., President, and Jesse S. Tourtellot, Esq., Cashier.

**PENNSYLVANIA.**—Eli Lewis, Esq., has been elected President of the York County Bank, in place of J. G. Campbell, Esq., who declined a re-election.

**GEORGIA.**—George A. Cuyler, Esq., was, on the 30th of June, unanimously elected Cashier of the Central Rail-Road and Banking Company, at Savannah, vice Solomon Cohen, Esq., who resigned to accept the appointment of Postmaster, at Savannah.

**LOUISIANA.**—The Stockholders of the Union Bank of Louisiana, at New Orleans, are about organizing a bank under the general law of that State, with the same name, the charter of the old bank having expired.

**The Southern Bank.**—A new institution, under the recent general law of Louisiana, has been formed at New Orleans, entitled the Southern Bank; the first instalment on the capital of which was payable July 1. President, John Egerton, Esq. Cashier, James L. Wibray, Esq.

**WISCONSIN.**—The State Bank of Wisconsin has gone into operation at Milwaukee, with a capital of \$150,000. The Bank is organized under the general banking law of that State, and has deposited bonds of the States of Virginia, Tennessee and Kentucky, for its circulation. Among the stockholders are numerous and well known capitalists of Troy, Rochester and Waterford, N. Y., Greenfield, Mass., and Burlington, Vermont. The bank notes are engraved in the first style by Messrs. Toppan, Carpenter & Co., of this city. President, Eliphalet Cramer, Esq. Vice-President, John Catlin, Esq. Cashier, M. S. Scott, Esq.

**COUNTERFEIT BANK NOTES.**—The following notice has been issued by the Association for the Suppression of Counterfeiting: \$250 REWARD! *To the Bill and Coin Brokers, City Marshals and Police Officers, and the public generally of New England, the Middle States and Canada.*—THE ASSOCIATION OF BANKS FOR THE SUPPRESSION OF COUNTERFEITING will pay to the person who shall furnish information which shall lead to the conviction and sentence of the parties herein mentioned, the following sums, to wit: A REWARD OF TWO HUNDRED AND FIFTY DOLLARS for each person convicted and sentenced for engraving a plate or plates for counterfeit Bank Bills, or dies for altering Bank Bills; and a REWARD OF TWENTY-FIVE DOLLARS for each person convicted and sentenced for uttering or passing counterfeit Bank Bills; said sums to be paid upon the presentation of the certificate of the judge or the prosecuting officer of the court where such conviction shall be obtained; provided said counterfeits are on the Banks in New England. Suitable rewards will also be paid for the conviction and sentence of the makers of counterfeit coin, or of dies for the same, and for the utterers of such coin. The above are additional to any rewards authorized by the State laws.

Per order of the Executive Committee.

J. M. GORDON, *Secretary.*

Boston, June 1, 1858.

## NEW YORK CITY BANKS.

Condensed statement of the condition of the Incorporated and Associated Banks of the City of New York, Saturday, June 11, 1858. Compiled from the Quarterly Reports to the Bank Department.

## LIABILITIES.

INCORPORATED BANKS.	Capital.	Profits.	Circulation not reg'd.	Circulation registered.	Due N. Y. Treasury.	Due Depositors.	Due Banks.	Others.	Total.
Manhattan Bank, . . . . .	\$2,050,000	\$343,793	\$44,351	\$350,075	\$98,433	\$2,308,146	\$764,463	\$13,409	\$5,577,600
Bank of the State of New York, . . . . .	2,000,000	140,093	2,190	673,981	. . .	2,307,537	632,644	14,606	6,371,000
Mechanics' Bank, . . . . .	1,490,000	370,595	42,700	379,535	. . .	8,570,573	1,731,360	28,417	7,408,100
Mechanics' Bank, . . . . .	1,440,000	411,761	48,653	331,390	. . .	2,541,940	1,043,696	. . .	5,907,370
Phoenix Bank, . . . . .	1,200,000	192,608	2,320	308,575	. . .	1,986,010	1,178,324	3,460	4,166,297
National Bank, . . . . .	750,000	116,935	3,930	141,023	. . .	823,634	206,040	3,355	2,044,967
Leather Manufacturers' Bank, . . . . .	600,000	178,393	2,650	289,334	. . .	1,165,000	431,333	. . .	2,619,719
Seventh Ward Bank, . . . . .	500,000	113,530	2,360	263,063	. . .	713,120	8,375	473	1,594,329
Tradesmen's Bank, . . . . .	400,000	175,340	6,415	244,957	. . .	899,182	46,550	1,105	1,773,549
Mechanics and Traders' Bank, . . . . .	200,000	81,238	5,008	100,385	. . .	530,533	82,721	1,876	1,002,711
Greenwich Bank, . . . . .	200,000	60,175	3,933	180,903	. . .	414,536	29,901	2,303	896,760
Dry Dock Bank, . . . . .	200,000	6,390	3,639	111,339	. . .	186,256	11	2,039	510,314
ASSOCIATED BANKS.									
Bank of Commerce, . . . . .	5,000,000	415,370	. . .	3,435	. . .	2,900,352	3,090,447	4,640	11,254,644
Bank of America, . . . . .	2,000,000	153,220	213,532	. . .	. . .	2,613,355	3,396,423	. . .	8,280,580
Metropolitan Bank, . . . . .	2,000,000	193,035	. . .	81,350	. . .	1,730,004	2,892,040	. . .	6,377,049
American Exchange Bank, . . . . .	1,500,000	406,417	. . .	319,033	. . .	3,884,344	3,049,542	5,820	9,164,656
Bank of the Republic, . . . . .	1,500,000	151,151	. . .	189,949	. . .	1,663,304	901,006	3,053	4,403,363
Bank of New York, . . . . .	1,000,000	123,323	234,664	84,921	. . .	3,043,180	569,337	. . .	5,590,494
Mechanics' Exchange Bank, . . . . .	1,235,000	145,297	97,423	93,009	. . .	1,305,475	714,173	900	3,596,376
Continental Bank, . . . . .	1,500,000	53,690	. . .	34,625	. . .	990,235	466,510	. . .	3,055,010
Bank of North America, . . . . .	1,000,000	83,811	. . .	87,000	. . .	1,523,471	506,491	274	3,211,047
Hanover Bank, . . . . .	1,000,000	35,473	. . .	123,970	. . .	651,530	116,793	914	1,393,684

Ocean Bank,	1,000,000	67,210	140,410	1,894,008	94,921	1,256	2,697,800
Union Bank,	1,000,000	99,948	238,364	2,914,185	780,155	745,814	4,689,582
City Bank,	800,000	69,783	816,681	1,146,608	228,716	2,588	2,471,859
North River Bank,	655,000	99,278	816,681	840,181	911,196	410	2,160,509
Market Bank,	650,000	44,918	110,400	697,151	38,644	42,000	1,678,118
Mechanics' Banking Association,	632,000	69,226	809,210	1,006,503	81,845	4,160	2,032,744
Fulton Bank,	600,000	171,615	190,206	929,286	644,444	2,471	2,535,022
Mercantile Bank,	600,000	105,960	121,061	1,002,887	162,789	8,870	2,080,590
Broadway Bank,	600,000	102,168	210,706	1,559,472	99,915	8,870	2,576,126
Butchers and Drovers' Bank,	600,000	58,908	10,509	1,050,885	188,018	8,870	2,184,020
Shoe and Leather Bank,	580,000	22,177	96,586	858,947	8,870	8,870	1,082,610
Corn Exchange Bank,	500,000	18,510	81,509	772,913	60,512	8,870	1,453,897
Nassau Bank,	500,000	40,430	58,951	645,036	104,520	8,870	1,873,937
Bank of Commonwealth,	744,400	7,827	8,870	820,577	481,242	8,870	1,584,046
Pacific Bank,	422,700	26,635	101,502	653,605	88,006	6,088	1,249,486
People's Bank,	412,500	41,421	147,813	624,031	16,946	590	1,243,800
Chatham Bank,	400,000	13,910	131,603	492,152	18,720	8,870	1,051,387
St. Nicholas Bank,	500,000	14,269	26,450	252,181	20,028	8,870	812,958
Citizens' Bank,	350,000	36,704	15,683	665,658	42,090	18,143	1,274,888
East River Bank,	413,050	88,173	110,256	410,678	71,153	15,000	1,053,365
Bowery Bank,	356,650	93,100	194,443	1,099,107	18,062	8,119	1,764,490
Chemical Bank,	800,000	438,181	815,974	1,361,570	85,973	8,870	2,501,708
Knickerbocker Bank,	800,000	26,452	106,337	875,677	118,642	555	930,718
Grocers' Bank,	800,000	85,918	90,600	581,670	80,534	280	1,089,002
Irving Bank,	800,000	26,647	116,594	475,878	22,543	461	941,853
Empire City Bank,	250,228	19,500	108,063	167,154	91,854	81,088	590,517
New York Exchange Bank,	130,000	13,237	138,956	70,598	91,854	7,550	447,270
Suffolk Bank,	250,000	15,009	94,976	93,658	8,870	8,870	458,048
Marine Bank,	492,600	4,665	59,300	821,245	49,948	8,744	981,508
Central Bank,	292,600	6,933	55,240	117,089	37,517	810	598,693
<b>Total,</b>	<b>\$44,196,768</b>	<b>\$5,674,323</b>	<b>\$8,057,675</b>	<b>\$59,078,171</b>	<b>\$24,961,031</b>	<b>\$971,274</b>	<b>\$144,180,309</b>

## RESOURCES.

INCORPORATED BANKS.	Loans.	Loans to Directors.	Loans to Brokers.	Real Estate.	Stocks, Bonds, &c.	Loss & Ex. Act.	Over Drafts.	Specie.	Cash Items.	Bank Notes.	Due from Banks.	Total.
Manhattan Bank, . . . .	\$8,460,411	\$924,708	\$491,471	\$292,084	\$49,375	\$90,967	. . .	\$573,364	\$662,911	\$45,610	\$178,479	\$5,877,600
Bank of State of New York, . . . .	4,167,937	115,080	. . .	130,100	. . .	9,990	8,708	418,448	1,285,670	81,749	50,388	6,371,000
Mechanics' Bank, . . . .	8,804,108	54,380	820,900	98,198	181,000	660	353	1,847,070	1,355,968	80,450	270,264	7,408,100
Mechanics' Bank, . . . .	3,969,483	174,378	639,500	82,481	8,100	6,388	4,098	804,788	599,558	84,436	192,460	5,907,270
Phoenix Bank, . . . .	2,568,620	213,440	86,200	138,758	82,487	12,008	8,096	830,350	670,246	43,106	82,906	4,106,297
National Bank, . . . .	1,509,844	50,553	64,600	29,637	1,100	6,240	1,138	154,198	200,371	5,186	22,610	2,044,967
Leather Manufacturers' Bank, . . . .	1,868,853	79,290	19,000	800	14,310	7,670	. . .	312,339	283,174	28,968	161,931	2,619,719
Seventh Ward Bank, . . . .	1,146,915	51,791	111,409	38,950	. . .	8,370	018	98,321	120,925	18,660	9,778	1,594,329
Tradesman's Bank, . . . .	1,307,531	110,618	22,000	24,000	5,460	4,945	. . .	119,107	77,751	16,722	85,415	1,773,549
Mechanics and Traders' Bank, . . . .	596,578	94,588	. . .	14,041	61,796	763	808	88,256	88,778	13,511	189,614	1,092,711
Greenwich Bank, . . . .	673,603	14,510	22,000	88,777	5,051	1,255	108	22,180	16,528	12,108	96,631	696,760
Dry Dock Bank, . . . .	292,675	57,126	. . .	25,126	4,431	2,208	100	38,450	74,350	2,840	18,278	510,314
ASSOCIATED BANKS.												
Bank of Commerce, . . . .	7,962,531	253,000	240,000	110,000	15,000	14,518	. . .	1,128,641	1,868,158	17,290	136,486	11,254,644
Bank of America, . . . .	4,892,867	67,000	889,950	220,000	16,930	14,828	1,008	1,654,124	750,795	20,468	882,610	8,250,550
Metropolitan Bank, . . . .	8,605,287	119,011	292,100	215,098	104,354	80,940	8,486	285,881	494,383	862,904	863,711	6,877,049
American Exchange Bank, . . . .	4,446,060	19,500	655,990	. . .	524,666	. . .	1,048	659,590	1,362,746	499,058	996,008	9,164,656
Bank of the Republic, . . . .	2,765,918	108,643	219,000	176,237	228,086	8,816	. . .	206,094	503,087	59,778	187,565	4,403,863
Bank of New York, . . . .	8,092,778	89,557	. . .	250,000	274,831	19,834	5,845	1,019,361	559,689	. . .	279,029	5,590,434
Continental Bank, . . . .	1,792,788	223,219	286,281	. . .	115,574	10,274	. . .	152,658	296,008	19,866	150,074	3,065,010
Merchants' Exchange Bank, . . . .	2,517,768	214,788	. . .	62,799	165,400	12,093	83	189,548	249,721	58,534	175,588	3,596,276
Bank of North America, . . . .	1,621,994	101,153	70,050	110,251	115,619	11,701	8,964	159,934	370,961	88,049	107,376	8,211,047
Hanover Bank, . . . .	1,054,630	91,075	60,846	90,495	240,575	38,548	15,726	56,921	224,924	15,373	85,471	1,993,634
Ocean Bank, . . . .	1,465,766	80,344	254,731	74,202	182,383	9,498	1,838	119,687	338,133	61,805	120,279	2,697,900
Union Bank, . . . .	2,508,913	290,697	212,500	125,000	12,063	13,880	. . .	557,771	1,082,820	123,110	57,823	4,839,882
City Bank, . . . .	1,551,963	195,900	. . .	80,000	11,364	1,660	576	121,616	285,200	118,220	104,861	2,471,869
North River Bank, . . . .	1,181,268	63,941	2,041	62,543	391,978	9,487	9,016	120,912	146,635	40,457	122,211	2,160,509

Market Bank, . . . . .	880,508	162,681	4,200	28,193	127,805	15,563	347	64,881	207,610	25,300	57,185	1,578,113
Mechanics' Bk'g Association, . . . . .	1,277,942	62,997	645	15,518	407,710	3,070	. . .	81,550	127,446	21,540	54,026	2,052,744
Fulton Bank, . . . . .	1,467,798	105,021	216,500	12,000	298,021	1,901	55	181,784	175,545	88,082	51,355	2,888,022
Mercantile Bank, . . . . .	1,272,518	92,900	111,400	. . .	148,102	8,214	200	146,396	150,641	26,216	74,008	2,080,590
Broadway Bank, . . . . .	1,251,567	162,815	874,000	161,626	251,005	1,466	1,171	105,126	160,446	27,206	50,198	2,576,126
Butchers and Drivers' Bank, . . . . .	1,620,806	48,581	88,000	60,000	48,756	81,283	796	120,975	100,571	21,458	45,894	2,134,020
Shoe and Leather Bank, . . . . .	498,444	140,573	78,000	51,220	149,650	6,598	. . .	37,987	98,024	. . .	27,174	1,082,610
Corn Exchange Bank, . . . . .	781,814	7,000	85,000	65,022	116,713	4,280	. . .	24,556	283,693	12,501	125,018	1,455,897
Nassau Bank, . . . . .	904,660	37,108	. . .	76,697	117,457	11,412	864	59,740	94,663	23,696	48,140	1,373,937
Bank of Commonwealth, . . . . .	496,995	90,283	146,438	. . .	194,551	2,643	. . .	62,204	121,076	14,016	495,740	1,554,046
Pacific Bank, . . . . .	691,850	60,417	215,000	9,000	151,013	50	. . .	83,684	87,360	9,926	41,186	1,249,436
People's Bank, . . . . .	884,514	86,847	20,000	8,545	188,318	6,480	790	83,785	73,765	17,776	22,180	1,243,390
Chatham Bank, . . . . .	689,593	28,742	. . .	63,055	176,060	1,163	1,496	11,043	68,054	. . .	12,246	1,051,387
St. Nicholas Bank, . . . . .	469,770	58,286	9,000	25,010	120,463	7,156	8	26,628	62,203	3,553	81,131	812,958
Citizens' Bank, . . . . .	733,935	42,511	67,820	56,783	198,147	4,345	654	36,665	79,560	18,454	36,029	1,274,883
East River Bank, . . . . .	571,531	41,282	61,000	17,000	187,315	15,108	013	45,253	52,506	7,917	104,445	1,053,865
Bowery Bank, . . . . .	1,167,028	45,125	19,000	46,500	211,851	2,888	. . .	73,614	84,562	12,972	100,640	1,764,480
Chemical Bank, . . . . .	1,561,440	78,540	. . .	52,458	416,273	6,920	236	258,570	69,516	9,401	49,050	2,501,703
Knickerbocker Bank, . . . . .	492,490	61,349	. . .	43,574	182,598	6,000	. . .	25,896	80,512	7,509	80,545	930,713
Grocers' Bank, . . . . .	644,700	51,542	. . .	34,025	107,253	4,597	. . .	60,808	80,567	13,081	42,434	1,089,002
Irving Bank, . . . . .	580,245	59,973	. . .	41,192	143,935	5,410	541	29,544	69,358	11,184	50,476	941,558
Empire City Bank, . . . . .	305,003	26,353	. . .	. . .	188,644	7,796	601	16,315	23,375	8,090	14,500	590,517
New York Exchange Bank, . . . . .	173,290	. . .	4,920	. . .	155,710	6,098	456	7,127	7,186	19,253	73,240	447,270
Suffolk Bank, . . . . .	259,073	. . .	. . .	. . .	107,432	9,255	456	12,723	12,676	1,298	50,100	453,043
Marine Bank, . . . . .	244,954	8,500	57,400	70,000	112,886	2,134	. . .	105,500	184,554	25,509	70,585	981,502
Central Bank, . . . . .	261,595	21,583	. . .	31,050	116,698	2,684	. . .	24,361	30,083	2,754	18,885	509,693
<b>Total, . . . . .</b>	<b>\$85,130,227</b>	<b>\$4,522,444</b>	<b>\$5,867,985</b>	<b>\$3,457,544</b>	<b>\$7,188,925</b>	<b>\$483,459</b>	<b>\$63,965</b>	<b>\$12,174,509</b>	<b>\$16,383,916</b>	<b>\$2,080,214</b>	<b>\$6,872,121</b>	<b>\$144,180,809</b>

REMARKS.—Of the \$996,003 due from banks to American Exchange Bank, \$45,757 is a loan to the Illinois and Michigan Canal Company.

## Notes on the Money Market.

New-York, JULY 25, 1853.

*Exchange on London, at sixty days' sight, 9½ @ 9½ premium.*

MONEY is abundant on prime paper, at 6 a 7 per cent. The banks are discounting liberally for their customers, and abundant facilities exist for the negotiation of stocks and business paper.

The principal incident of the past month was the decline of Erie Rail-Road shares, from 87 to 73 per cent. This change was produced by the announcement that the Company would not, at its regular time in July, declare a dividend. The stock fell in consequence, in one day, from 87 to 81, and has since fluctuated between 77 and 79.

There have been no stock or loan negotiations of any note during the month. The loan proposed in behalf of the Pacific Rail-Road Company of Missouri, to the amount of four millions of dollars, was withdrawn on the 11th inst., the bids not being satisfactory.

The fiscal year of the General Government expired on the 30th June last. The imports and revenue have exceeded those of any previous year. The amount of duties collected at the port of New York during the year, was \$38,788,627, against \$28,910,527 for the preceding year. Assuming the increase at New York as a criterion of that at all the other ports, the aggregate duties will exceed sixty-three millions of dollars, viz:

Duties.	1851-2.	1852-3.
At New York, . . . . .	\$28,910,527	\$38,788,627
At all the other ports, . . . . .	18,429,799	25,081,000
	<u>\$47,339,326</u>	<u>\$63,819,627</u>

The Treasury estimates for the year just ended, were \$49,000,000, while the receipts actually exceed that amount fully thirty per cent. The importations of foreign goods for the year ending 30th June, 1852, were \$207,109,788, with duties amounting to \$47,339,326, or nearly twenty-three per cent. If the same proportion prevailed during the last year, the importations must have exceeded \$275,000,000.

In making a survey of the business of the year, it is by no means satisfactory or pleasant to reflect that a large portion of this heavy indebtedness still exists. That portion which has not been actually liquidated by our exports of domestic produce or goods, or gold, is temporarily covered by the sales of State, City and Rail-Road stocks, which have been effected in the London and Continental money markets.

Great prosperity exists, however, in the various branches of trade and manufactures throughout the United States. A vast impulse has been given to mining operations for gold, copper, lead, iron and coal. Great activity prevails in the mining districts of Pennsylvania, Maryland, North Carolina, Illinois, Tennessee and other States. The iron manufacturers now find a home demand for their products, in consequence of the increased value of labor in Europe. An instance (among many) is seen in the fact, that the locomotives and cars for the Pacific Rail-Road Company have been constructed almost entirely of Missouri materials, and of St. Louis workmanship.

The first seven months of the year have nearly expired. Upon a comparison of the market at this date with that of the commencement of the year, we find money affairs in a favorable position, with an accumulation of capital never before witnessed in this country. There is an increasing demand for State and City loans, Rail-Road and County loans, both from abroad and at home, for temporary and permanent investments.

The deposits in our Banks are larger than at any former period, amounting to more than sixty millions of dollars. Their loans at the last quarterly report showed an aggregate of more than one hundred millions. Since then, several new banking institutions have commenced business under favorable auspices, with a larger amount in circulation, loans and specie.

In sterling bills the market is about the same as at the close of last year. The rates were then 9½ a 9¾ premium for first class bills. At present the quotations are 9½ a 9¾. The aggregate of specie shipped from this port for Europe is \$10,900,000 for the past six months, being three millions less than for the same period last year. The heavy importations into the United States have created

large balances against us in Europe. These have for the present been partly and temporarily liquidated by remittances of State, City and Rail-Road securities, which must eventually be paid for in cash.

There is now a prospect of a large demand for grain from this country for Europe. The harvests promise well throughout the grain growing States, and the export for the current year is far beyond that of 1851-2.

The marked feature in the stock market of the last six months has been the creation of various new companies for the development of Copper and Coal Mines. These stocks are now in fair demand, and promise a full remuneration to the shareholders.

The European money market is somewhat disturbed by the threatening aspect of a war between Russia and Turkey, which would probably involve both England and France. English Consols have declined to 97  $\frac{1}{2}$ , and public loans generally are affected to the same extent.

The *London Economist* says:—"The present suspension of business, caused by the uncertainties in which we are involved by statesmen, makes itself felt in the money market, where money is for the moment very easy. The temporary relaxation of the demand, and the payments of the dividends about to commence, combines to produce this effect. Being obviously a transient occurrence, there are no alterations in the terms of the money market—money is merely abundant.

The recent Legislature of New York have fully legalized the Canal Revenue Certificates, and have authorized the payment of drafts drawn for work done under contracts with the Canal Commissioners. Banks and individuals holding drafts drawn by a Canal Commissioner on the Auditor, the payment of which has been refused for want of means, will have due notice when such drafts will be paid. The means for the payment of these drafts are the proceeds of a direct tax, imposed by the Legislature just adjourned, and to come into the Treasury next Spring. The act which imposes the tax is understood to authorize the use of moneys in the Treasury belonging to other funds, upon the security that they will be reimbursed from the proceeds of the tax within the year, and before the funds are wanted for other purposes. The act does not take effect under twenty days from the 21st of July, within which time it will be determined whether the receipt of the tax into the Treasury can be anticipated, and when and what portions of the draft, if any, can be paid.

We note a steady demand for State loans, at improved prices. These are required largely for banking purposes among those States where free banking laws are in operation. Since our last No., New York State six per cents. of 1864 have advanced from 115 to 120. Five per cents. of 1855, from 104  $\frac{1}{4}$  to 109. Ohio six per cents. have advanced from 1 to 2  $\frac{1}{2}$  per cent., according to dates.

For City stocks there is likewise a steady demand, at a fair premium. Philadelphia sixes have advanced from 103 to 105  $\frac{1}{2}$ . Baltimore sixes from 106 to 109. Rail-Road mortgage bonds have fallen off slightly, and are more affected generally by the European market than any other species of loans. We propose to furnish hereafter a monthly list of government, state, city, county and rail-road bonds, with the market values, which will be an acceptable addition to our work, especially for subscribers at a distance.

According to a new law of this State, the banks of the City of New York will, from and after the 1st of August, be compelled to furnish weekly statements to the Bank Department for publication, showing the average circulation, coin, loans and deposits of each for the preceding week. The law on this subject may be found in our No. for June last.

---

## DEATH.

At Charlestown, Mass., on Monday, July 25th, ANDREW K. HUNT, Esq., Assistant Cashier, for many years past, of the Suffolk Bank, Boston.

THE  
BANKERS' MAGAZINE,  
AND  
Statistical Register.

VOL. III. NEW SERIES. SEPTEMBER, 1853.

No. III.

THE BANK OF ENGLAND.

FLUCTUATIONS OF PUBLIC DEPOSITS—COMPARATIVE CONDITION IN 1851-2-3—GOLD AND SILVER  
DEPOSITS IN THE LAST THREE YEARS—DECLINE IN BULLION.

ONE of the singular features attending the influx of gold from California and Australia, is the decline in the amount of coin and bullion held by the Bank of England. It is known that the deposits of gold bullion at the Philadelphia Mint, during the year 1852, amounted to \$51,000,000 and upwards, of which \$25,000,000 were re-exported from New-York to Liverpool, &c.; while large sums were transmitted direct from San Francisco to England.

The arrivals of gold, too, from Australia at English ports have been very heavy during the years 1852-3; but in the face of all these additions from various quarters, the amount held by the Bank of England is four millions sterling less now than in July, 1852. The largest sum ever held by the bank at any one period was £22,232,138. This was on the 10th of July, 1852. This sum has gradually been reduced by exports of bullion to the continent, and of coin to Australia, until now the bank only holds £18,553,905. This is more than enough for the actual or prospective wants of the institution, its active circulation being less than twenty-three millions sterling.

It was near the close of the year 1851, that the Bank of England first began to feel the effects of the large influx of gold from California. The additions from this source began in August, 1851, and were regular from



week to week, (with two exceptions only,) until March, 1852. Up to that period, the increase amounted to \$6,064,968. The additions were still large, until the second week in July, when the enormous sum of £22,232,138 was in their vaults, and the gross circulation amounted to £35,878,765.

The operations of such an institution must of course be profitable, although the rate of interest during the past year was only 2 or 2½ per cent.; but even at this low rate, the profits must amount to more than one million sterling, or about five millions of dollars.

The public deposits are less now than in 1850, while the private accounts are larger. The public deposits show the following as the highest and lowest for the last three years.

<i>Public Deposits.</i>	<i>Highest Amount.</i>	<i>Lowest Amount.</i>
1850 .....	£11,022,807	£4,627,318
1851 .....	10,796,555	3,957,007
1852 .....	9,447,516	2,802,361

The private deposits, including those of Bankers, Railway and Joint Stock Companies, show an increase during the same period, viz.:

	<i>Highest Amount.</i>	<i>Lowest Amount.</i>
1850 .....	£11,263,012	£8,850,077
1851 .....	10,075,856	8,121,431
1852 .....	15,464,288	9,371,117

The *Rest* (or reserved profits) on the 7th inst., amounted to £3,149,769. This item in April, 1852, was £3,624,418, on a capital of £14,553,000, or within a fraction of twenty-five per cent. The stock has been for some years an eight per cent. stock, giving half yearly dividends of four per cent. The highest rate of the stock in the market last year was 234, (in August, 1852,) and the lowest quotation 215½, (in January, 1852.)

The last quotation we have seen, (July 30,) was 229½. On the 1st January, 1852, the rate of interest prevailing was 2½ per cent. at the bank. Such, however, was the rapid accumulation of coin and of deposits, that the bank reduced the rate, at the close of April, to 2 per cent. The enlarged deposits, circulation, &c., are represented in the annexed comparative statement:

1852.	<i>January 3.</i>	<i>April 24.</i>
Notes in circulation, .....	£19,284,590	£21,599,845
Public deposits, .....	9,447,516	2,998,373
Private deposits, .....	9,371,117	14,472,598
Government loans, .....	13,290,972	13,335,779
Other loans, .....	12,214,222	10,999,619
Gold and silver, .....	17,557,541	19,587,670

The large amounts of gold and silver bullion deposited at the Bank are shown in the annexed summary :

*Gold Received—Ounces.*

	1850.	1851.	1852.
First quarter,.....	326,084	332,759	1,081,959
Second do. ....	321,714	513,667	1,319,538
Third do. ....	520,631	592,717	1,095,514
Fourth do. ....	359,532	2,002,633	1,318,644
Total.....	1,527,961	3,441,716	4,815,655

*Silver Received—Ounces.*

	1850.	1851.	1852.
First quarter,.....	4,112,492	4,024,615	5,070,962
Second do. ....	5,155,377	3,909,671	5,683,720
Third do. ....	4,435,043	5,252,508	6,858,006
Fourth do. ....	5,188,230	5,052,716	4,033,348
Total issued,.....	18,891,142	18,239,510	21,646,036
Paid,.....	19,545,010	18,215,981	21,705,064

Notwithstanding these large additions of silver, the payments were still larger; being, in three years, 15,345,396 ounces, and the receipts 15,183,976. The amount of silver held by the Bank in 1846 was £2,727,000, while in August, 1852, it was only £18,967.

The following table will show at a glance the progressive increase of gold and the decrease of silver in the vaults of the Bank of England during the last seven years. It will be seen that the Bank has (voluntarily, of course—gold only being legal tender for sums over 40s.) parted with more than two millions sterling in silver since January, 1847; much of it, no doubt, at a premium.

*A Return showing the Amount and Value of Specie and Bullion in the Bank of England on the 1st January, 1847, 1848, 1849, 1850, 1851, 1852 and 1853, distinguishing Gold from Silver, Specie from Bullion, and Foreign from British Coin.*

	GOLD.			SILVER.			TOTAL.
	Bullion.	Foreign Coin.	British Coin.	Bullion.	Foreign Coin.	British Coin.	
1847,	£4,081,404	£3,061,971	£5,170,014	£1,986,885	£533,655	£193,698	£14,951,572
1848,	1,177,669	3,607,503	6,061,100	944,343	402,717	190,930	12,404,350
1849,	3,261,110	3,152,805	7,693,944	149,144	356,764	338,893	14,954,649
1850,	3,867,498	3,813,423	8,567,650	77,744	199,333	474,833	17,030,480
1851,	4,699,108	3,565,810	6,187,960	26,625	25,043	335,573	14,890,116
1852,	5,508,773	5,773,435	5,997,437	4,625	23,750	250,523	17,557,541
1853,	10,327,426	6,509,204	3,123,943		19,154	47,925	20,527,662

The present condition of the Bank is as annexed, under date 7th July, 1853 :

<i>Liabilities.</i>		
Circulation issued,.....	£32,052,080	
Less on hand,.....	9,204,260	22,847,820
Capital,.....		14,553,000
Rest, (undivided profits),.....		3,149,789
Public deposits,.....		5,615,363
Other deposits,.....		12,504,620
Seven day and other bills,.....		1,872,642
Aggregate liabilities,.....		£60,043,233
<i>Assets.</i>		
Government debt,.....	£11,015,100	
Government securities,.....	16,101,897	
Other securities,.....	14,372,331	
Gold and silver,.....	18,553,905	
Aggregate assets,.....		£60,043,233

The securities bearing interest, it would appear, amount to £41,489,328. Assuming three per cent. as the average rate of interest, the annual income of the Bank is shown to be upwards of twelve hundred thousand pounds sterling.

Twenty years since, the number of clerks and porters employed in the Bank premises was 820; printers and engravers, 38; clerks and porters at the branches, 82; making an aggregate of 940, at an annual expense of £211,903.

At the present time the number is largely increased. Nine families constantly reside within the precincts of the Bank—the houses of the Secretary, Chief Accountant and gate-keeper being situated around the court. The whole extent of the Bank is surrounded by a parapet wall, on which thirty-four private soldiers and an officer keep watch every night. Besides these guards, there are fourteen men constantly employed, day and night, who are familiar with the labyrinthian mazes of the building, and who have fire engines at command in case of any alarm of fire.

Every department of manual labor connected with the Bank, (except the manufacture of paper,) is carried on within its limits. There are three steam cylindrical presses and two hand presses kept for letter-press printing; and a steam engine of ten horse power constantly in use. In the bullion department are kept six weighing machines, by means of which the precise weight of all coins is determined.

The following is a list of the governors and directors of the Bank of England for the ensuing year, viz. :

The gentleman against whose name an asterisk is placed, was a new candidate for the direction. The election for governor and deputy-governor was held at the bank on Tuesday, the 5th April, and for directors, on Wednesday, the 6th April, from ten o'clock in the forenoon till four in the afternoon.

Thomson Hankey, Jun., Esq., retires from the position held for several years as governor of the bank.

## GOVERNORS.

JOHN GKILLIBRAND HUBBARD, Esq., *Governor.*

THOMAS MATTHIAS WEGUELIN, Esq., *Deputy Governor.*

## DIRECTORS.

HENRY HULSE BERRNS, Esq.,  
ARTHUR EDWARD CAMPBELL, Esq.,  
EDWARD HENRY CHAPMAN, Esq.,  
ROBERT WIGRAM CRAWFORD, Esq.,  
WILLIAM COTTON, Esq.,  
BONAMY DOBREE, Esq.,  
BENJAMIN BUCK GREEN, Esq.,  
GEORGE PASCOE GREENFELL, Esq.,  
\*HENRY HUCKS GIBBS, Esq.,  
THOMSON HANKEY, Jun., Esq.,  
JOHN OLIVER HANSEN, Esq.,  
KIRKMAN DANIEL HODGSON, Esq.,

HENRY LANCELOT HOLLAND, Esq.,  
THOMAS NEWMAN HUNT, Esq.,  
ALFRED LATHAM, Esq.,  
JAMES MALCOLMSON, Esq.,  
JAMES MORRIS, Esq.,  
SHEFFIELD NEAVE, Esq.,  
GEORGE WARDE NORMAN, Esq.,  
JOHN HORSLEY PALMER, Esq.,  
HENRY JAMES PRESCOTT, Esq.,  
WILLIAM THOMSON, Esq., and Alderman,  
THOMAS TOOKER, Jun., Esq.

*Secretary*, John Bentley, Esq.  
*Deputy Secretary*, James Stewart, Esq.  
*Assistant*, Edwin Welsh, Esq.  
*Secretary to Committee of Treasury*, William Ray Smees, Esq.  
*Clerks*, George Dean Gray and David Ritchie.

## ACCOUNTANTS' OFFICE.

*Chief Accountant*, William Smees, Esq.  
*Deputy Accountant*, George Earle Gray, Esq.  
*Assistant Accountant*, J. Padmore Noble, Esq.  
*Chief Clerks*, H. Williams Challis, Daniel Hill.

STOCK OFFICES.—*Chief Clerks.*

*Bank Stock, Reduced Three per Cents, Long Annuities, and Terms of Years*, William Bentley and William Frederick Baines.  
*Consols, Transfer Office*, William Cuell and Thomas Ingall.  
*New 3½ per Cents, Transfer Office*, William Jecks and John Stevens.  
*Consols and Reduced Dividend Office*, Joseph Newton.  
*New 3½ per Cts., Dividend Office*, W. Jones.  
*Register Office*, J. B. Ripon.  
*Power of Attorney Office*, John Skeleton.  
*Chancery and Exchequer*, John Vaughn.  
*Cheque Office*, Joseph Hooper.  
*Chief Cashier*, Matthew Marshall, Esq.  
*First Assistant*, Joseph Ravenscroft Elsey, Esq.  
*Second Assistant*, William Miller, Esq.  
*Bullion Office*, William Debonaire Haggard.

*Cashiers*, James Ballard, James Vautin, William Popham Gattie, William Paskin, John Williams, John Luson, Henry Bock, Samuel Parish, Charles Thomas Whitmell, John Condor, John Pewtner, Henry Wright, John Ferraby, William Richter, John Tilbury, Joseph Stennett, Thomas Slater, John Wood Deane, Henry Hogben, John Cann, John Bradshaw, James Cumbers, Samuel Leigh, David Hyett, Robert Farmer, Thomas Kent, John Richard Baker and Joshua Freeman.

*First In-Teller*, John Price.

*First Inspector*, James Payne.

*Post Bill Office*, Edward Robson.

*Cashier's Issue Department*, Nathaniel John Jerwood.

*Bill Office*, Peter Hingeston.

*Dividend Warrant Pay Office*, James Lawson.

*Drawing Office for Private Accounts*, James Palmer.

*Drawing Office for Public Accounts*, Thomas Hodgkinson.

*Discount Office*, John Green Elsey.

*Branch Banks' Office*, Richard Andrew Marsden and William Banks.

*Storekeeper*, Samuel Harrison.

*Deputy*, John Ashmore.

*General Cash Book Office*, Sam. J. Smyth.

*Solicitors*, Messrs. James and Charles Freshfield.

*Surgeon*, Alfred Smees, Esq.

*Standing Counsel*, Sir Fitzroy Kelly.

*Arch. & Surveyor*, C. R. Cockerell, Esq., R. A.

*Superintd. of Eng'ring Dept.*, H. Hensman.

## AUSTRALIA AND EUROPE.

ADDITIONAL DEMAND FOR LABOR IN ENGLAND—INCREASE OF MANUFACTURES—INCREASED RATE OF WAGES IN AUSTRALIA—SUPPLY OF WHEAT.

THE later accounts received in England from Australia, have infused new spirit into the manufacturing districts of the former. After unexampled emigration, and the exportation of numerous quantities of goods, which it was supposed would unsettle the home market and embarrass capitalists, it is found that there is a still further demand for labor and for goods. As the *Economist* says:—"We are beginning in England to complain of the want of hands, and of an inability to supply the markets, and there comes a demand for more people to go to Australia, and a complaint that goods enough cannot be obtained. *The world is becoming a very paradise for laborers and for mechanics. Men are becoming more valuable.*"

The London *Economist*, of the 23d ult., intimates a rise in the money market of England. We have before stated, that the advance in the rate of interest by the Bank of England, the export of coin from London to the Continent, and the prospect of the grain market, all point to a further advance in the rate of interest at an early day. The *Economist* says:

"The money market is easy, without any alteration in the terms. Money is taken 'on call' at  $2\frac{1}{2}$ , and the best bills are discounted at 3 to  $3\frac{1}{2}$ . An opinion, however, begins to prevail, founded on the probability of our having to buy a large quantity of corn, and on the certainty that business, should peace not be interrupted, must be much extended, that money will be considerably dearer, and bets are offered that it will be as dear as 5 per cent. before Christmas. We mention the opinion, without endorsing it, though the activity everywhere observable in business is on its side."

The United States will participate in this increased demand for manufactures, and we are already reaping the returns for extensive shipments around Cape Horn and beyond the Cape of Good Hope.

The increased value of wages in the colony of Victoria, is shown in the following comparative table. The annexed prices are in addition to lodgings and rations:

	<i>Per Year 1850.</i>	<i>April, 1852.</i>	<i>October, 1852.</i>
Hut-keepers.....	£19 0 0	£32 10 0	£37 10 0
Shepherds.....	20 0 0	30 0 0	40 0 0
Male servants.....	27 10 0	75 0 0	52 10 0
Female servants.....	16 0 0	24 0 0	25 0 0
Blacksmiths.....	2 0 0	6 0 0	6 10 0
Bricklayers.....	2 10 0	4 10 0	5 5 0
Carpenters.....	1 12 6	4 2 6	6 10 0

The advance in provisions has also kept pace with the demand for labor :

	1852.	October, 1852.
Flour, per ton.....	£12 0 0	£42 0 0
Bread, per 4 lb.....	0 0 8½	0 2 6
Mutton, per lb.....	0 0 1½	0 0 5½
Butter, per lb.....	0 1 3	0 2 7½
Tea, per lb.....	0 1 3	0 2 6

Our grain growers and grain dealers will also reap advantage from the present and prospective condition of the European grain market. Even if there be no serious interruption to the peace of Europe, there is a promise of a large demand for American grain for export. The London *Economist*, in its weekly survey of the market, says, that the continued wet and cold weather, the unfavorable prospects of the harvest in England and in France, the notorious wants of the countries in the Upper Rhine, make reflecting statesmen now turn a somewhat anxious eye to the various countries that supply corn, in order to ascertain the probabilities of bread being easily accessible for the majority of the people. It is truly said, that "discontent and rebellion have much more frequently their sources in hungry bellies than in theories of political rights." During the last four years, the imports of grain and of flour into Great Britain were as follows :

	<i>Grain of all kinds.</i>	<i>Wheat and Flour.</i>
1849.....	Quarters, 10,655,197	4,802,475
1850.....	" 9,076,266	5,330,388
1851.....	" 9,617,222	4,856,038
1852.....	" 7,779,145	4,180,201
	<hr/>	<hr/>
Total.....	" 37,127,830	19,169,102
Average.....	" 9,281,957	4,792,275

During the first half of the year 1853, the importation has increased to 2,013,094 quarters of wheat and flour, against 1,223,998 in the corresponding period of 1852.

The countries from which England derived its supplies, in the year 1852, were, principally, Prussia, Russia, (including northern and southern ports,) Holland, Mecklenburgh, United States, Egypt and Denmark. The flour came mostly from America, France and Italy. The English corn merchants look now to the United States and to Canada for large supplies.

The Bank of France makes a monthly return to the government of its liabilities and resources. The return for the 14th ult. shows a reduction of coin, fcs. 51,546,000, while the commercial bills have increased 52,131,000 francs; circulation, 25,332,000 francs.

The finances of the Spanish government are daily becoming more involved. According to advices from Madrid, up to the 13th ult., it

would seem there is no probability that the new scheme to fund the floating liabilities of the treasury into six per cent. stock, can be effected.

The revenue, judging from the monthly returns already published, is likely to yield at least thirty millions of reals less than it was taken at, of which the deficit on customs will be twenty millions, while supplementary credits, to a much larger amount than that sum, have been or will have to be issued. Twelve millions extra were decreed, the other day, for the canal for bringing water to Madrid, and a large amount will be required to pay off the road contractors, who ought to have received the remaining twenty millions of *acciones de carreteras* belonging to the loan of two hundred millions voted by the Cortes for road-making; the contract being that, as the works were completed, the parties should be paid in that class of stock, which being duly authorized by the Cortes, of a limited amount, and bearing six per cent. interest, and a sinking fund, (which have been duly attended to,) has borne a comparatively high price in the market, viz., eighty per cent. and upwards.

### THE RECENT DEMAND FOR IRON.

ONE of the most important branches of trade to England is its iron manufactures. The annexed statement exhibits the production of iron in the United Kingdom of Great Britain during the year 1852 :

Districts.	Furnaces.		Total.	Estimated. Tons.
	In blast.	Out.		
Scotland, .....	113	31	144	775,000
South Wales, .....	135	27	162	635,000
South Wales, Anthracite, .....	12	23	35	31,000
South Staffordshire, .....	127	32	159	725,000
North Staffordshire, .....	17	4	21	90,000
North Wales, .....	6	7	13	30,000
Shropshire, .....	27	13	40	120,000
Durham, .....	18	8	26	110,000
Northumberland, .....	7	6	13	35,000
Yorkshire and Derbyshire, .....	35	7	42	150,000
Total, .....	497	158	655	2,701,000

The following from the Paris *Journal des Debats*, on the French prohibitive duties on foreign iron, will be found exceedingly interesting to political economists, and to our own merchants and shipwrights :

The *Moniteur* contained a few days ago a document calculated to throw some light on the advantages which a manufacturing country finds in having cheap iron. It was a curious mass of information relative to the construction of steamers in the river Clyde, in Scotland. In

the seven years from 1846 to 1852 inclusively, the number of steamers launched in the ports of the Clyde was 247, of 147,604 tons burthen, and 38,332 horse power. Of these 247 vessels, only 14, that is to say, less than six per cent., were wood; all the others, that is to say, 94 per cent., iron. Thus construction in wood is only an exception, or, so to speak, an accident; the system generally adopted is that of iron hulls. In France, similar returns do not exist; and this is an admission which it is well to point out to the able official who superintends the drawing up and publication of the *Tableaux du Commerce*; but public notoriety suffices to prove that the proportion is very different. We construct few vessels in iron, although the advantages of the system are perfectly known, for the simple reason, that sheet iron, which is employed in these constructions, is very dear in France. It is commonly twice as much as in England, if not more. Our readers see from that, in a new aspect, the extent of the damage which the prohibitive *regime* of our customs causes to French manufacturers, and the obstacles which it creates to national industry. If we had cheaper iron for our maritime constructions, a great number of iron vessels would be built in France. The freight would, consequently, be cheaper; for the cheaper the vessel is built, and the longer it lasts, the more the freight declines. Things are in such a state at present, that not only would a French shipbuilder, who might require sheet iron for several vessels, have to pay an exorbitant price for it, but he would find it impossible to make sure of obtaining a sufficient supply. A contract would only be taken to deliver it with such delay, that it would be better for him to abandon the enterprise. The same would be the case with respect to any large order for rails. A new railway company which might demand the quantity it requires would not only have to pay an excessive price for it, but to wait an indefinite period. In this state of things, it is natural to ask ourselves if the duties on foreign iron can, without great damage for the merchant navy, and for the public interest in general, maintain the present incredible rate. These duties, it will be remembered, are 200f. the ton on iron in bars, and 440f. the ton on sheet iron. They are more than 150 per cent. of the customary value of iron in bars, and more than 200 per centage of the customary value of sheet iron in the places of production. It will be remembered also, that under the Empire, and up to 1814, the duty on iron in bars, was 44f. instead of 206f., that is, about the fifth of what it now is. The duty on sheet iron was 110f., or the fourth of the present duty. The difference between the duty on bar iron and that on sheet iron was only 66f. instead of 238f.; and yet at that time the process of manufacture was such, that the difference between the prices was greater than it is now between bar and sheet iron—a circumstance which would have justified a greater difference in duties. In adopting a reduction of these duties, an immense service would be rendered in every respect to national labor. If, on the contrary, it be indefinitely delayed, there is reason to anticipate great embarrassment for several important branches of national industry. Let us add, that the time is extremely propitious for a measure of this kind. At present, on the one hand, our iron works have orders assured for a long time to come; and, on the other, the price



of iron has risen in all foreign markets. In England, in particular, it is greatly above the customary prices. Iron in bars, which in Great Britain is generally worth 125f. the ton, is at present quoted at 175f.; and sheet iron, which was sold there at 200f., is now at nearly 300f. The activity of the demand seems calculated to maintain these relatively high prices during all the time which would be necessary for us for the transition from the present system to another.

---

## QUARTZ MINING IN CALIFORNIA.

*From the San Francisco Times and Transcript.*

For two years past the public are aware that investments in quartz mining have not yielded that return which the sanguine views of capitalists anticipated from the well attested richness of the gold bearing quartz leads in California. In the delay of reaching more satisfactory results, an opinion has prevailed against the whole business, and many have ceased to regard it as of beneficial prospect in the development of our State's mineral resources. There are many reasons to account for this unfavorable conclusion. In the first place, money has always been worth too much in California, to warrant its being appropriated to processes necessarily so tedious as those required for obtaining gold from quartz. A heavy outlay has been required, first to obtain a sufficient number of claims, and then a still greater sum is demanded for machinery to work the mines. The next difficulty presented itself in the extravagant demands of labor, and in obtaining the ripe experience essential in the selection of ore for crushing. Ignorance as to the character of the machinery needed, and a want of scientific certainty in the processes of crushing the rock, and for separating the gold from it, have proved the final obstacles to be overcome. All these embarrassments, however, were destined to a speedy removal as soon as it should be fully settled that the auriferous deposits in quartz were of such extent and character, as to need only an adequate expenditure to make them available.

A period of two years has been required to convince the great money communities of the world, that it was in their power to bring forth from its rocky bed, the vast wealth of our mountains, and turn it into channels of usefulness and profit. New York, the commercial and monetary centre of this continent, has ample opportunities for the profitable employment nearer home of her surplus means, as well as of a vast amount of foreign capital, in the prosecution of rail-roads and other enterprises. From abroad California can only receive the adequate facilities to render fruitful this new resource.

The first outbreak of what was called the "gold fever," led to the formation of scores of companies in New York, based upon the quartz mining prospects in California. A no less number started into existence in London and Paris. Of all these, not more than twenty on either side

the ocean were legitimately established, and a still less number are now known to continue their organization. Few have withstood the probation through which they were compelled to pass. In this State, during the whole time since the discovery of gold, nearly two hundred companies have been formed for working quartz mines. At one time there were one hundred and eighteen who had opened leads, and fifty-five had machinery upon them. Of this number, sixteen companies are at the present time in full operation, and as we are credibly informed, pursuing a profitable business, in which condition five only were known to be a year ago. In the interim, however, a large proportion of the companies have held on to their claims, confident of their value, and of the near approach of its realization.

Abroad there has been a steadily growing confidence in the ultimate success of the business, which has been manifested of late in the purchase of some of the most extensive mines in California, and the transfer to our shores of very large amounts of capital seeking similar investment. The sales and leases of quartz mines for the last six months, in Europe, may be estimated in the aggregate to have amounted to three millions of dollars, and as large a sum is probably now represented in San Francisco, ready to be expended for a like object. Such is the evidence which we have to present of the returning confidence every where, in this one branch of our mineral resources. A few months will bring about most gratifying changes in the mining aspect throughout the State. In localities long ago deserted, the furnace fires will again be lighted, and the sounds of industrious occupation gladden the traveller. A new epoch of prosperity seems to be dawning upon California, and the future is fraught with promise.

---

## FLUCTUATIONS IN THE ENGLISH MONEY MARKET.

### I. Cotton.—II. Interest.—III. Circulation.—IV. Bullion.

In order to illustrate further the changes in the money market of London, and in the amount of circulation and the bullion held by the Bank of England, we annex the following recapitulation, showing—1st. The price of fair bowed Cotton, uplands, per lb., in the English market. 2d. The monthly aggregate of discount on first class bills in the London market. 3d. The monthly average circulation of the Bank of England. 4th. The bullion held by the bank, for each month, from January, 1844, to July, 1853, inclusive.

This table will enable the reader to ascertain at a glance the comparative values of the great American staple in the English market during each month of the last ten years. It will be seen that, generally, a low rate of interest in the market is accompanied by high prices for cotton—the facility of procuring money operating as a strong inducement for increased manufactures. The year 1844 was noted for extraordinary speculation in England, in railways, &c., while the year 1847 was noted for a deficient harvest and a high rate for money.

1844.	Jan.	Feb.	Mar.	April.	May.	June.	July.	Aug.	Sept.	Oct.	Nov.	Dec.
Cotton, per lb. <i>pence</i> , . . . . .	5½	6	5½	5½	5½	4½	4½	4½	4½	4½	4½	4½
Rate of discount, . . . . .	3	2½	3	1½	1½	2½	2½	2½	2½	2½	2½	2
Circulation, <i>millions £</i> , 19	20½	21	21½	21½	21½	21½	20½	21½	20	20	20	20
Bullion, <i>millions £</i> , 18	15	15½	16	16	16	16	15½	14½	14½	14½	14½	14½
1845.												
Cotton, . . . . .	4½	4½	4½	4½	4½	4½	4½	4½	4½	4½	4½	4½
Rate of discount, . . . . .	3	2½	3	3	3	2½	2½	2½	3	3½	4½	4½
Circulation, . . . . .	20	21	20½	22½	21½	21½	22½	22½	21½	23	23	20½
Bullion, . . . . .	14½	15	16	15½	16	16	15½	15½	15½	14	13½	13½
1846.												
Cotton, . . . . .	4½	4½	4½	4½	5	5	5	5	5½	5½	6	7
Rate of discount, . . . . .	4½	4½	4½	4½	4	3½	4	3½	3	3	3½	3½
Circulation, . . . . .	22	21	20	21½	20½	20½	21½	21	21	22½	21½	20½
Bullion, . . . . .	18½	18½	14	18½	14½	15½	15½	16	16½	15	14½	15
1847.												
Cotton, . . . . .	7½	6½	6½	6½	6½	7½	7½	7½	7	5½	5½	4½
Rate of discount, . . . . .	4	4½	4½	5½	6	5½	5½	6	8	8½	8	5½
Circulation, . . . . .	21½	20½	20½	21½	19½	18½	19½	19	18½	21½	20	18½
Bullion, . . . . .	14	12½	11	9½	10	10½	9½	9½	8½	8½	10	12½
1848.												
Cotton, . . . . .	4½	5½	4½	4½	4½	4½	4½	4½	4½	4	4	4
Rate of discount, . . . . .	5	4	3½	3½	3½	3	3	3	3	3	3	3
Circulation, . . . . .	20	19	18½	19½	19½	18½	20½	19½	18½	19½	18½	18
Bullion, . . . . .	18	14½	15½	18½	18½	14½	14½	18½	18½	18½	14	15
1849.												
Cotton, . . . . .	4½	4½	4½	4½	4½	4½	5½	5½	5½	6½	6½	6½
Rate of discount, . . . . .	8	8	8	8	8	8	8	8	2½	2½	2½	2½
Circulation, . . . . .	19½	19½	18½	20½	19½	18½	20½	19½	18½	20	19½	19
Bullion, . . . . .	15	15½	15½	14½	14½	15½	14½	14½	15	15	16	17
1850.												
Cotton, . . . . .	6½	6½	6½	6½	7½	7½	8	8½	7½	8	7½	7½
Rate of discount, . . . . .	2½	2½	2½	2½	2½	2½	2½	2½	2½	2½	2½	2½
Circulation, . . . . .	20½	20½	19½	19½	20½	20	21½	21½	20½	21½	20½	19½
Bullion, . . . . .	17	17	17½	17	16½	17	17	16½	16½	16	16½	15½
1851.												
Cotton, . . . . .	7½	7½	7½	6½	6	5½	5½	5½	5½	5½	5	5
Rate of discount, . . . . .	8	8	8	8	8	8	8	8	8	8	8	8
Circulation, . . . . .	21½	20	19½	21	20½	20	21½	21	20½	22	20½	19½
Bullion, . . . . .	14½	14½	14½	18½	18½	14½	18½	14½	14½	15	16	17½
1852.												
Cotton, . . . . .	5	5½	5½	5½	5½	5½	5½	6	6	6½	5½	5½
Rate of discount, . . . . .	8	8	2½	2½	3	3	3	3	3	3	3	2½
Circulation, . . . . .	22½	21½	21	23	22½	22½	25	24½	25	24½	24½	23½
Bullion, . . . . .	17½	19	19½	19½	20½	21½	23	21½	21½	21½	21½	21½
1853.												
Cotton, . . . . .	5½	6	6	6½	6½	6½	6½	..	..	..	..	..
Rate of discount, . . . . .	8	8	8	8	8	8½	8½	..	..	..	..	..
Circulation, . . . . .	25	23½	23	25	24	24	25	..	..	..	..	..
Bullion, . . . . .	10½	18½	19½	18½	18	18½	17½	..	..	..	..	..

## NEW YORK CITY BANKS.

THE following table will show the per centage of specie as held by each bank, as compared with its aggregate circulation and deposits, August 20 :

	<i>Per Cent.</i>		<i>Per Cent.</i>
American Exchange Bank, . . . . .	12.68	Knickerbocker Bank, . . . . .	5.00
Atlantic Bank, . . . . .	28.01	Leather Manufacturers' Bank, . . . . .	18.90
Bank of America, . . . . .	41.42	Manhattan Bank, . . . . .	19.54
Bank of Commerce, . . . . .	29.71	Marine Bank, . . . . .	12.15
Bank of the Commonwealth, . . . . .	17.24	Market Bank, . . . . .	7.68
Bank of New York, . . . . .	19.21	Mechanics' Bank, . . . . .	24.06
Bank of North America, . . . . .	9.90	Mechanics' Banking Association, . . . . .	9.45
Bank of the State of New York, . . . . .	20.88	Mechanics and Traders' Bank, . . . . .	9.76
Bank of the Union, . . . . .	6.89	Mercantile Bank, . . . . .	22.68
Bank of the Republic, . . . . .	19.38	Merchants' Bank, . . . . .	84.64
Bowery Bank, . . . . .	4.70	Merchants' Exchange Bank, . . . . .	12.15
Broadway Bank, . . . . .	5.85	Metropolitan Bank, . . . . .	24.58
Butchers and Drovers' Bank, . . . . .	11.68	National Bank, . . . . .	18.47
Central Bank, . . . . .	11.85	Nassau Bank, . . . . .	6.83
Chatham Bank, . . . . .	4.83	North River Bank, . . . . .	5.82
Chemical Bank, . . . . .	15.18	New York Dry Dock Bank, . . . . .	12.44
Citizens' Bank, . . . . .	4.86	New York Exchange Bank, . . . . .	5.80
City Bank, . . . . .	9.76	Ocean Bank, . . . . .	7.91
Continental Bank, . . . . .	11.25	Oriental Bank, . . . . .	10.90
Corn Exchange Bank, . . . . .	8.90	Pacific Bank, . . . . .	4.91
East River Bank, . . . . .	5.83	People's Bank, . . . . .	4.59
Empire City Bank, . . . . .	5.61	Phenix Bank, . . . . .	18.91
Fulton Bank, . . . . .	16.06	Seventh Ward Bank, . . . . .	12.60
Greenwich Bank, . . . . .	4.41	Shoe and Leather Bank, . . . . .	9.23
Grocers' Bank, . . . . .	9.53	St. Nicholas Bank, . . . . .	14.09
Hanover Bank, . . . . .	15.63	Suffolk Bank, . . . . .	5.66
Irving Bank, . . . . .	5.53	Tradesmen's Bank, . . . . .	8.83
Island City Bank, . . . . .	27.45	Union Bank, . . . . .	20.23

The condition of the New York City Banks during the last four years is shown as follows, including items of loans, specie, circulation and deposit :

	<i>Loans.</i>	<i>Specie.</i>	<i>Circulation.</i>	<i>Deposits.</i>
Sept., 1849, . . . . .	\$51,079,220	\$3,022,250	\$5,990,100	\$28,551,092
Sept., 1850, . . . . .	62,686,522	9,056,185	6,695,010	37,230,380
Sept., 1851, . . . . .	65,426,363	6,082,463	7,376,114	36,957,370
Sept., 1852, . . . . .	88,815,464	8,702,895	8,678,664	50,216,410
Feb. 26, '53, . . . . .	95,274,876	8,991,630	9,274,025	57,556,507
June 11, '53, . . . . .	95,520,656	12,174,509	9,084,106	59,073,171
Aug. 6, '53, . . . . .	97,899,617	9,746,452	9,510,465	60,994,568
Aug. 12, '53, . . . . .	95,562,277	10,654,618	9,451,945	58,166,712
Aug. 20, '53, . . . . .	93,866,970	11,092,552	9,414,696	56,817,718

The coin on hand in Banks and Sub Treasury, at four recent periods, is shown as follows :

	<i>Sub Treasury.</i>	<i>Banks.</i>	<i>Total.</i>
1853.			
June 11, . . . . .	\$7,546,000	\$12,174,000	\$19,720,000
Aug. 6, . . . . .	8,406,000	9,746,000	18,152,000
" 12, . . . . .	8,550,000	10,654,000	19,204,000
" 20, . . . . .	8,401,000	11,092,000	19,493,000

## Condition of the Banks of the City of New York. August 20, 1853.

	<i>Loans.</i>	<i>Specie.</i>	<i>Circulation.</i>	<i>Deposits.</i>
American Exchange Bank, . . . . .	\$5,359,452	\$816,681	\$237,446	\$6,100,484
Atlantic Bank, . . . . .	140,054	81,265	14,988	24,744
Bank of America, . . . . .	5,069,237	1,089,218	905,073	2,804,170
Bank of Commerce, . . . . .	7,990,836	815,693	8,340	2,741,997
Bank of the Commonwealth, . . . . .	925,112	98,642	2,584	533,217
Bank of New York, . . . . .	2,996,465	523,707	890,901	2,899,811
Bank of North America, . . . . .	1,860,744	150,083	90,002	1,425,434
Bank of the State of New York, . . . . .	4,532,157	737,239	658,600	3,202,344
Bank of the Union, . . . . .	289,470	10,268	59,055	90,165
Bank of the Republic, . . . . .	3,130,897	896,596	164,708	1,520,777
Bowery Bank, . . . . .	1,295,438	59,243	198,890	1,002,292
Broadway Bank, . . . . .	1,344,070	68,716	216,801	1,067,403
Butchers and Drovers' Bank, . . . . .	1,618,786	115,724	15,396	935,618
Central Bank, . . . . .	841,850	29,990	90,040	163,606
Chatham Bank, . . . . .	733,108	29,203	139,354	466,731
Chemical Bank, . . . . .	1,440,250	223,490	317,144	1,156,476
Citizens' Bank, . . . . .	723,794	33,553	159,363	561,193
City Bank, . . . . .	1,804,355	136,476	127,761	1,370,343
Continental Bank, . . . . .	2,177,680	154,016	42,784	1,337,176
Corn Exchange Bank, . . . . .	675,073	39,243	80,933	390,907
East River Bank, . . . . .	745,444	33,675	111,450	466,496
Empire City Bank, . . . . .	324,410	19,267	168,492	235,415
Fulton Bank, . . . . .	1,997,010	185,894	201,913	954,679
Greenwich Bank, . . . . .	771,834	23,556	198,149	454,705
Grocers' Bank, . . . . .	645,138	57,610	91,578	510,094
Hanover Bank, . . . . .	1,107,033	93,004	156,821	402,321
Irving Bank, . . . . .	563,551	30,258	123,723	423,490
Island City Bank, . . . . .	57,345	29,106	6,555	99,344
Knickerbocker Bank, . . . . .	580,464	23,337	92,423	373,463
Leather Manufacturers' Bank, . . . . .	2,042,300	169,016	254,743	1,026,235
Manhattan Bank, . . . . .	4,113,622	475,582	417,706	2,017,051
Marine Bank, . . . . .	752,523	77,550	93,293	544,756
Market Bank, . . . . .	1,081,500	55,014	110,400	606,095
Mechanics' Bank, . . . . .	4,111,716	762,463	349,729	2,319,973
Mechanics' Banking Association, . . . . .	1,199,539	104,352	295,105	308,326
Mechanics and Traders' Bank, . . . . .	556,334	54,645	93,135	470,733
Mercantile Bank, . . . . .	1,213,306	204,357	127,598	773,435
Merchants' Bank, . . . . .	3,835,290	1,133,361	313,273	2,969,655
Merchants' Exchange Bank, . . . . .	2,620,543	162,303	194,913	1,141,133
Metropolitan Bank, . . . . .	3,507,606	877,031	83,666	1,446,983
National Bank, . . . . .	1,603,491	124,634	181,130	744,600
Nassau Bank, . . . . .	840,765	47,668	87,208	610,263
North River Bank, . . . . .	1,233,523	70,835	305,565	910,565
Dry Dock Bank, . . . . .	362,023	30,354	139,033	105,437
New York Exchange Bank, . . . . .	163,165	11,240	114,306	80,346
Ocean Bank, . . . . .	1,421,287	77,102	141,195	334,358
Oriental Bank, . . . . .	262,471	17,377	52,222	112,032
Pacific Bank, . . . . .	869,494	33,658	106,353	573,725
People's Bank, . . . . .	824,222	32,995	146,517	572,852
Phoenix Bank, . . . . .	2,755,592	302,535	313,351	1,236,602
Seventh Ward Bank, . . . . .	1,136,919	107,504	263,505	539,337
Shoe and Leather Bank, . . . . .	714,166	42,161	123,657	332,223
St. Nicholas Bank, . . . . .	536,613	46,333	69,336	263,313
Suffolk Bank, . . . . .	270,472	9,013	85,416	73,193
Tradesmen's Bank, . . . . .	1,403,321	87,143	254,219	792,579
Union Bank, . . . . .	2,773,121	479,615	357,032	2,007,673
<b>Total, . . . . .</b>	<b>\$93,866,552</b>	<b>\$11,092,553</b>	<b>\$9,414,696</b>	<b>\$56,317,713</b>

These tables are useful for comparison, inasmuch as they show the extraordinary increase in the deposits and loans of our city banks, since Sept., 1849.

Since September, 1849, the capital of our city banks

Has increased,	. . . . .	\$90,595,000
The loans have increased,	. . . . .	42,787,000
The specie	" . . . . .	8,070,000
The circulation	" . . . . .	8,424,000
The deposits	" . . . . .	28,266,000

At the last quarterly report of the Union Bank, they had no circulation reported; but \$745,314 due under miscellaneous heads, which is all, or nearly all the remnant of outstanding circulation of the old Union Bank, whose charter has expired. As this circulation is used by the present bank in its ordinary business transactions, it would more properly be placed under the head of "circulation not registered." It is not a liability of the old bank; its charter having expired and the bills having been put into circulation after such expiration of charter. Neither is it a liability of the new bank, as the bills are all dated before the new association had existence, and they do not purport to be issued by the new one. It is questionable where the liability, in a legal sense, rests. It is merely a matter of sufferance on the part of the community, that the bills of a defunct institution should be allowed to have a circulation. The statute provides very clearly for the circulation to be issued by associated banks, and ordains that such circulation shall be secured by the deposit of certain stocks, bonds, &c., and although we, in common with our whole community, entertain no fear of the safety of the paper now alluded to, yet if such a course of action were generally adopted, it would eventually lead to some losses and litigation. We have laws to govern associated banks; those laws should be strictly adhered to.

## A DIGEST

OF THE

### DECISIONS OF THE SUPREME COURT OF MASSACHUSETTS, UPON BANKS, BANKING, BILLS, NOTES, &c.

By H. RITCHIE, Esq., OF THE BOSTON BAR.

(Continued from page 995, June No.)

- XIV. Of Evidence and Witnesses, 196.
- XV. Of Actions on Bills of Exchange and Promissory Notes, and of Pleadings and Practice, 199.
- XVI. Of Damages on Bills of Exchange, Interest and Costs, 210.
- XVII. Of Usury.—What Constitutes Usury, &c., 212.
- XVIII. Of Statutes of Limitations, 219.
- XIX. Of Set-Off, 227.
- XX. Of the Trustee Process as Affecting Bills of Exchange, 230.
- XXI. Miscellaneous Decisions, 236.

3. Where the defendant, "for value received, promised to pay the plaintiff a sum of money, if and when the defendant should recover his demands against A," it was held competent for the plaintiff to prove that the defendant had no demands against A (in which case the promise would be absolute), or that he had not used due diligence. *White v. Snell*, 5 Pick. 425.

4. Where the mental incapacity of the payee of a note, at the time he indorsed it, is relied on as a defence to an action by the indorsee against the maker, evidence is admissible to prove his incapacity when the note was given to him. *Peaslee v. Robbins*, 3 Met. 164.

5. The original memoranda on minutes of the proceedings of the trustees, in whom were vested the management of the finances of a corporation, made at the time by one of them, by the authority of the board, were competent evidence to prove that the trustees had empowered the treasurer to make a promissory note, especially after the death of the trustee who made the entries. *Hayward v. Pilgrim Society*, 21 Pick. 270.

6. In a suit against two principals on a negotiable note, of which they had no knowledge before action brought, given in their names by their agent, who had no express authority, nor any authority by necessary implication from the nature of his business, to give such note, it was held, that evidence of the agent's having given two similar notes, to the first of which only one of the principals afterwards assented, and the last of which, for a small sum, the principals directed to be settled after they were sued upon it, was not sufficient to prove the authority of the agent to bind them by the third note. *Paige v. Stone*, 10 Met. 160.

7. In an action against three, on a promissory note, purporting to be made by them as copartners, but alleged by two of them to have been given by the third, in fraud of his copartners, for his private use, and that this was known to the plaintiff, evidence that the fraudulent partner had previously, and with the knowledge of the plaintiff, abused the partnership signature for his private business, and that the plaintiff advised him to give up that business and take his notes out of the market, is relevant to the issue to be tried, as it tends to prove the *scienter* on the part of the plaintiff. *Eastman v. Cooper*, 15 Pick. 276.

8. If it is proved that one of three copartners has used the name of the firm for a business entirely distinct from the partnership business, the presumption that such use of the partnership name was fairly and honestly made for the partnership purposes is removed, and such apparent misuse of the firm's name is *primâ facie* evidence that he acted without the authority and in fraud of his partners. *Ibid.*

9. When it appears that a manufacturing corporation has gone into operation, that one of their number has held himself out as treasurer, and acted as such, it is the duty of the jury to find, in the absence of all rebutting proof, that such person had been chosen treasurer, and, as such, had authority to accept a bill of exchange in behalf of such corporation. *Narragansett Bank v. Atlantic Silk Co.*, 3 Met. 282.

10. In a suit against a manufacturing corporation on a bill of exchange, accepted by T., who signed as treasurer of the corporation, where the defendants refused to produce their records on notice so to do, and a wit-

o

ness testified that he had seen the defendants' records, and that it appeared therein that T. was chosen treasurer at the first meeting; it was *held*, that a jury might legally infer that the treasurer was duly elected and authorized to accept the bill in suit. *Ibid*.

11. In a suit by the payee against the acceptor of an order for the payment of a certain sum in goods, evidence is admissible and sufficient for the purpose of proving a consideration for the acceptance, that when the order was drawn the drawer owed a debt to the payee, that the order was given in payment of that debt, and that it was accepted by the drawee, on request made by the drawer at the time when it was drawn; all the parties being present at the acceptance. *Walker v. Sherman*, 11 Met. 170.

12. In an action by the promisee against the maker of a note who sets up infancy as a defence, the plaintiff, after proving that the note was given to balance an account standing on his books against the defendant, may show from his day-book and ledger, though they do not contain his original entries, the several articles of which the account was composed; such evidence is competent for the purpose of showing an admission of the defendant that he received the articles, but not for the purpose of showing that the articles were necessities, or that they were charged at fair prices. *Earl v. Reed*, 10 Met. 387.

13. Where a note was given by the defendant to the plaintiff for three other notes held by the plaintiff against him, it was *held*, that a memorandum in the handwriting of the plaintiff, purporting to be a computation of the amount due on the three notes, the items of which corresponded with the notes as regarded dates and amounts, was competent evidence to prove that, in consequence of errors made by the plaintiff in such computation, the note first mentioned, being given for the amount appearing to be due by the memorandum, was for a larger amount than was actually due. *Richardson v. Newcomb*, 21 Pick. 315.

14. An action was brought by the indorsee against the maker of a promissory note, dated the 9th of April, 1831, payable to S. on demand, and upon which was written, without date, "Received \$200 in part"; and the maker, for the purpose of proving that the note was not indorsed till it was overdue, and that it had been paid to S. previously to the indorsement to the plaintiff, introduced a witness, who testified that he was shown a contract, signed by himself, dated July 30th, 1831, and given to indemnify S. against his liability as surety upon another note of the defendant, for \$400, which was discounted at the Lowell Bank on that day, and that on the same day the defendant paid to S. a considerable portion of this money, which S. then, in his presence, indorsed upon a note which S. produced. *Held*, that this testimony was competent, and that the jury were warranted in inferring from it, that the note in suit was not indorsed to the plaintiff till after July 30th, 1831, it being in the plaintiff's power apparently to show by S. the time when it was indorsed. *Stevens v. Bruce*, 21 Pick. 193.

15. The holder of a promissory note bequeathed to his wife all the income or interest of his personal estate, and his administrator from time to time paid to the wife, out of the estate, an amount equal to or greater



than such income, without taking any receipt; but nothing was received upon such note, till after the death of the wife, when the note was paid to an administrator *de bonis non* of the husband. In an action by an executor of the wife against this administrator *de bonis non*, to recover the interest which accrued on the note from the time of the death of the husband until the death of the wife, it was *held*, that the payments to the widow by the original administrator were not evidence of a *payment* of the interest on the note; that a redelivery of the note to the administrator by the wife, after it had been indorsed to her by the administrator, was not evidence of her intention to relinquish her claims to such interest, and that evidence of fraud on the part of the widow and the original administrator, who was also her residuary legatee, for the purpose of defeating the rights of those claims under the husband's will, was no defence to this action. *George v. Cushing*, 17 Pick. 448.

16. In a suit against the payee and indorser of a bill of exchange drawn for his accommodation, the defence was, that the bill had been altered so as to be payable in sixty days instead of six; and the only evidence of alteration was on the face of the bill. The judge, after instructing the jury that the question was to be decided upon inspection, also instructed them to consider the probability or improbability that an accommodation bill would be made payable in six days. *Held*, that no exception could be well taken to this last instruction. *Davis v. Jenny*, 1 Met. 221.

17. In an action against one for selling a note which he had fraudulently procured to be indorsed by a minor, the plaintiff may give evidence of the declarations, made at the time of sale, by the broker whom the defendant employed to sell the note, concerning the character of the note and the parties thereto. *Lobdell v. Baker*, 1 Met. 193.

18. Where a note was given to E. H. for a certain sum, payable on demand with interest, and some months afterwards the promisor gave a mortgage to E. H. 3d, conditioned for the payment of a note for the same amount, of the same date, payable on demand with interest, it was *held*, that parol evidence was admissible to show that E. H. and E. H. 3d were partners doing business under the name of E. H., and that the note to E. H. was given for a debt due the partnership, and was the note referred to and intended to be secured by the mortgage. *Hall v. Tufts*, 18 Pick. 455.

19. Where, in an action brought against one of two joint promisors, the non-joinder of the other promisor is not pleaded in abatement, but the case is tried on the merits, and judgment is rendered against the plaintiff, and another action for the same cause of action is brought by the same plaintiff against the two promisors, the parties in the two actions are, within the rule of law, the same, and the judgment in the former action is admissible in evidence under the general issue. *French v. Neal*, 24 Pick. 55.

20. So where the two actions were upon a note indorsed to the plaintiff in blank and declared upon by him as indorsee, but at the trial of the first action he filled up the blank so as to make the note payable to himself as agent of the payee; the defendant objected, in the first action, that

the indorsement thus filled up did not support the declaration, but it was admitted in evidence, and a verdict and judgment rendered against the plaintiff on the merits; the judgment in the first action was admitted in evidence under the general issue in the second action. *Ibid.*

21. In an action against C., G., and R., upon seven promissory notes purporting to have been made by them as copartners, C. and G. pleaded in bar and estoppel, that the plaintiff brought a former action against C. and G. upon another note, payable on demand; that upon the trial the plaintiff alleged and proved that that note had been given as a substitute for, and in consideration of, and as security for, the seven notes, which were not due when that action was commenced; that C. and G. alleged that the seven notes were made by R. for his private use and in fraud of his copartners C. and G., and that this was known to the plaintiff when he received the notes from R.; that these facts, and whether C. and G. made the promise set forth in the former action, were put in issue at the trial of that action, and the jury returned a verdict that C. and G. never promised; that judgment was rendered on the verdict and is still in force. *Held*, that the verdict and judgment in the former action were admissible, though not conclusive evidence, under the general issue, to show that the seven notes were not given for a partnership debt, and that this was known to the plaintiff. *Eastman v. Cooper*, 15 Pick. 276.

22. In an action by the indorsee against the maker of a promissory note payable on demand with interest, and indorsed to the plaintiff more than eleven months after its date, it was *held*, that it was over due at the time of its indorsement; and therefore, that the declarations of the payee, made whilst he was the holder, were admissible, for the purpose of proving that it was obtained from the maker by fraud. *Sylvester v. Crapo*, 15 Pick. 92.

### 15. *Of Actions on Bills of Exchange and Promissory Notes, and of the Pleadings and Practice.*

#### 1. *Of the Parties.*

1. When a note is indorsed in blank, an action in the name of a third person may be maintained against the indorser, for the benefit of the owner of the note, with his consent. *Beekman v. Wilson*, 9 Met. 434; *Little v. O'Brien*, 9 Mass. 423; *Brigham v. Marean*, 7 Pick. 40.

2. A husband may maintain an action in his own name alone, on a promissory note given to his wife during coverture. *Sutton v. Warren*, 10 Met. 451.

3. Where a promissory note was made payable "to the cashier of the Commercial Bank or his order," and the consideration proceeded from the bank, it was *held*, that an action on the note might be maintained in the name of the bank as the promisee. *Commercial Bank v. French*, 21 Pick. 486.

4. Where a bill of exchange is indorsed in blank, and the blank indorsement filled up so as to make it payable to "S. S. F., cashier," he may maintain an action on it in his own name, though he be accountable to the bank of which he is cashier for the proceeds. *Fairfield v. Adams*, 16 Pick. 381.

5. A promissory note was given to A. B., agent of a manufacturing company; *held*, that an action lay for A. B. on the note, and his styling himself agent in his writ and declaration was merely *descriptio personæ*. *Buffum v. Chadwick*, 8 Mass. 103.

6. A declaration upon a note to the Medway Cotton Manufactory by the name of R., M., & Co. was held good upon demurrer. *Medway Cotton Manufactory v. Ames*, 10 Mass. 360.

7. A person holding as trustee a promissory note made payable to bearer, may bring an action upon it in his own name. *Sherwood v. Roys*, 14 Pick. 172.

8. A promissory note payable to bearer is payable to and may be sued by any person having the legal interest under a delivery from the payee; but where such a note is committed by the holder to another person, to keep it and collect it as agent for the holder and for his use, a suit on the note, if brought by the agent, must be in the name of his principal, and not in his own. *Ibid*.

9. Where a note payable to bearer is committed by the holder to another person, to keep it and collect it as agent for the holder and for his use, this is not a transfer of the property in the note; and if the agent sues, the suit must be not in his own name, but in that of his principal. *Ibid*.

10. Where the holder of a note payable to himself or bearer puts it into the hands of an agent for collection, and the maker, when called on for payment by the agent, asks for time, and promises to pay it, the agent may bring an action on the note in his own name during the life of his principal. *Royce v. Barnes*, 11 Met. 276.

11. Such action does not abate by the death of the principal. *Ibid*.

12. Where the trustees of an academy procured subscriptions and took negotiable notes to form a fund for a particular purpose, and afterwards assigned these notes by deed, but without indorsing them, to a corporation authorized to receive said fund, an action upon one of these notes was rightly brought in the name of the trustees of the academy. *Amherst Academy v. Cows*, 6 Pick. 427.

13. An action may be maintained on a written promissory agreement not negotiable in its nature, in the name of the party to whom it has been delivered over with an intent to transfer it, but without the name of the assignor, if the party bound has recognized the transfer and promised to pay the contents to the holder. *Mowry v. Todd*, 12 Mass. 281.

14. Upon the death of one of two makers of a joint promissory note, the promise becomes several, the survivor being liable as sole promisor by the common law, and Stat. 1799, c. 57, giving a remedy against the executor of the deceased promisor. *Reed v. Boardman*, 20 Pick. 441.

15. Before Stat. Feb. 26, 1800, no action could be maintained against the executor or administrator of a deceased joint promisor, when the other promisors survived. *Foster v. Hooper*, 2 Mass. 572.

16. A note was made by fourteen promisors, and four of them took it up by giving their own joint and several negotiable note, which was accepted in full satisfaction of the first note; it was *held*, that these four had rightly joined in an action against one of the other promisors in the first

o \*

note, for contribution, and an objection that they should have brought several actions was overruled. *Chandler v. Brainard*, 14 Pick. 285.

17. An administrator cannot join with a surviving promisee in prosecuting an action on a note; the action must be brought by the surviving promisee alone. *Walker v. Maxwell*, 1 Mass. 104; *Smith v. Franklin*, 1 Mass. 480.

18. Where a note was made payable to the treasurer of a parish and his successors, and was signed by the treasurer himself and another promisor, and the latter paid the note to the successor of the payee, it was held, that the successor of the payee in the office of treasurer might, by the Rev. Stat. c. 100, § 25, have maintained an action on the note against the executor of the treasurer who signed the note. *Packard v. Nye*, 2 Met. 47.

## 2. Action.

1. Assumpsit for money had and received may be maintained by the indorsee of a promissory note against any previous party to the note. *Ellsworth v. Brewer*, 11 Pick. 316; *State Bank v. Hurd*, 12 Mass. 172.

2. A negotiable promissory note may be given in evidence under a money count in an action against the maker by an indorsee who has taken up the note. *Wild v. Fisher*, 4 Pick. 421.

3. If the payee or indorsee of a valid promissory note gives it up to the maker, as part of the consideration of a new note, which is afterwards avoided on the ground of usury, he may recover of the maker the amount of the original note, in an action for money had and received. *Ramsdell v. Soule*, 12 Pick. 126.

4. Nor does the circumstance, that the payee of the new note indorsed it without recourse affect his right to maintain this action, for the indorsement did not transfer the legal interest in the original notes. *Ibid.*

5. An action for money had and received may be maintained by the indorsee of a note against the maker, although the note was signed by the maker merely for the accommodation of the payee, and the maker never received either money or any other consideration for signing it. *Cole v. Cushing*, 8 Pick. 48.

6. Where the acceptor of a bill of exchange for the accommodation of the drawer paid the bill and brought his action against the drawer to recover an indemnity, declaring on the general money counts only, and attached the drawer's property, it was considered, that although the specific ground of the action did not appear on the writ, yet that the attachment was valid against a subsequent attaching creditor. *Whitwell v. Brigham*, 19 Pick. 117.

7. Assumpsit may be maintained in this State, upon a promissory note on which the word "Seal" was written within a circle after the name of the promisor, though such instrument be a specialty by the law of the State where it was made. *McClees v. Burt*, 5 Met. 198.

8. Where a negotiable promissory note, indorsed in blank, was stolen from the holder before it was due, it was held, that he might nevertheless

recover the amount from the maker, in an action at common law, on filing a sufficient bond for his indemnification. *Fales v. Russell*, 16 Pick. 315.

9. Where an insolvent, just before his decease, delivered to a friend upon a secret trust, and for the purpose of defrauding creditors, a promissory note, which the trustee refused to give up or show to the administrator of the deceased, it was *held*, that the note was so secreted and withheld as that it could not be come at to be replevied, within the meaning of Stat. 1823, c. 140, and that therefore the administrator might maintain a bill in equity for discovery and relief. *Gibbens v. Peeler*, 8 Pick. 254.

10. The Supreme Judicial Court has jurisdiction of a bill in equity brought to compel the discovery and redelivery to the plaintiff of a promissory note taken by the maker and concealed and withheld so that it could not be replevied, notwithstanding the plaintiff might have brought trover for the note, or have maintained assumpsit thereon. *Clapp v. Shephard*, 23 Pick. 228.

11. In such a bill, it is not sufficient to allege generally that the plaintiff is the owner of the note, but he is bound to set forth his title thereto. *Ibid.*

12. It is not essential that such bill should aver that the discovery prayed for is material, and that without such discovery the plaintiff cannot prove the facts averred; it is sufficient that it appears that the facts, as to which a discovery is required, are material to the relief. *Ibid.*

13. A made a negotiable note to B, payable on demand, under an agreement that it should be placed in the hands of C, to be by him delivered to B or returned to A on certain conditions. B fraudulently obtained possession of the note, and negotiated it six months after its date, and the indorsee brought a suit thereon against A, who thereupon filed a bill in equity, praying for an injunction and relief. *Held*, that the court had no jurisdiction in equity, and that A had an adequate and complete remedy at law. *Pool v. Lloyd*, 5 Met. 525.

14. A signed a promissory note with B, payable to D, for money lent by D to B and C, and B and C gave A a joint written promise of indemnification. A paid the note, and it was *held*, that he might sue upon the implied promise for money paid, or upon the written promise, at his election; and that if the written promise contradicted the implication of law, the defendant might show it. *Gibbs v. Bryant*, 1 Pick. 119.

15. A brought his action against B on a promissory note, on which sundry partial payments were indorsed; B appeared and made a defence to the action, but judgment was finally rendered against him for the amount appearing due on the note after deducting the sums indorsed. B afterwards brings an action for money had and received against A, on the ground that he had made certain other payments, which were not indorsed upon the note, nor allowed in the other action. *Held*, that he could not recover; his remedy, if any, being by application for a review of the first action. *Loring v. Mansfield*, 17 Mass. 394.

16. Where an attorney, with whom a note had been left for collection, received a partial payment on the note and paid it over to the creditor, but did not indorse it on the note, but obtained judgment for the full

amount of the face of the note, he was held liable to the maker of the note for the amount of such partial payment, in money had and received. *Fowler v. Shearer*, 7 Mass. 14.

17. Where one of two partners obtained money upon a note signed by him with the name of the firm, and upon which he had forged two names as indorsers, and before the maturity of the notes the forgery was discovered, it was *held*, that the lender was entitled to his action immediately, as for money received to his use, and that the action lay against both partners, the money having gone to the use of the firm, though the other partner knew nothing of the forgery. *Manufacturers and Mechanics' Bank v. Gore*, 15 Mass. 75.

18. Also where the facts were the same, but there was no proof of the money's having gone to the use of the firm, the note being signed by the firm's name. *Boardman v. Gore*, 15 Mass. 331.

19. Where goods were sold on condition, and the vendee was allowed to take away the goods, but without any waiver of the condition on the part of the vendor, and the vendee never complied with the condition, but sold part of the goods, taking the purchaser's negotiable note for the price, and transferred this note as security to a creditor who had knowledge of the facts, and who on a demand by the first vendor refused to deliver him the note; it was *held*, that, while the note remained in such creditor's hands unpaid, the first vendor could not maintain assumpsit against him for its amount. *Whitwell v. Vincent*, 4 Pick. 449.

### 3. The Declaration.

1. The indorsee of a note made payable to order "in foreign money" declared on the same, in an action against the indorser, as if it were a common cash note, and the declaration was held good. *Sanger v. Stimpson*, 8 Mass. 260.

2. A declaration on a promissory note to "A. B. or bearer," and alleging the plaintiff to be the bearer, is sufficient, without stating any express promise to the plaintiff, upon a general demurrer. *Dole v. Weeks*, 4 Mass. 451.

3. The correct mode of declaring upon a promissory note bearing date of a place not within the county, is to set out the true date, and lay the same under a "*videlicet*." *Semble*. But where such note was directly averred to have been made at a place within the county, omitting the true date, the plaintiff had leave to amend without costs. *Munroe v. Cooper*, 5 Pick. 412.

4. Where the declaration alleged that the defendants "promised the plaintiffs to pay them or their order the sum of — on demand, with interest," without averring any consideration, and judgment was rendered upon a default, it was *held* on error, that the court could not intend the promise to be upon a promissory note, and the want of averment of a consideration was fatal. *Hemmenway v. Hicks*, 4 Pick. 497.

5. *Quære*, Whether the declaration on a promissory note must not aver a consideration. *Ibid*.

6. Where in indebitatus assumpsit a promise to pay with interest

is stated, an express promise to pay interest must be proved. *Tappan v. Austin*, 1 Mass. 31.

7. Where a suit is brought against the maker of a note which has been indorsed to a firm, and the plaintiff describes himself as surviving partner of the firm, it is not necessary (since the establishment of the rules of the court, at March term, 1836) that the declaration should aver either a demand of payment and a refusal, or the name or death of the other member of the firm; or that the defendant did not pay the debt to the deceased partner in his lifetime; or that the note had become due. *Knowles v. Byrnes*, 5 Met. 115.

8. In an action against the maker of a note, or acceptor of a bill of exchange payable at a time and place certain, it is not necessary to allege and prove a demand at the time and place. *Carly v. Vance*, 17 Mass. 389; *Payson v. Whitcomb*, 15 Pick. 212.

9. *Aliter* to charge an indorser. *Carly v. Vance*, 17 Mass. 389.

10. Where notice of the dishonor of a bill is necessary to charge the party sued, an allegation and proof of due diligence are tantamount to notice. *Blakely v. Grant*, 6 Mass. 386.

11. Where the condition of a conditional note has been performed, the note may be given in evidence under a count for money had and received. *Payson v. Whitcomb*, 15 Pick. 212.

12. In an action upon a promissory note containing a condition that it shall be void if the promisor shall indemnify the promisee against a note signed by them jointly, the declaration ought to set forth the condition; and it seems, also, that there should be an averment that the plaintiff has been damnified. *Whitaker v. Smith*, 4 Pick. 83.

13. The payees of a promissory note in common form, by a contract in writing of the same date as the note, agreed to take certain goods of the promisor, and apply what they could get from them in market towards the payment of the note. It was *held*, in an action on the note by the payee, that the declaration need not set forth such separate contract. *Sexton v. Wood*, 17 Pick. 110.

14. On a promise to pay money on demand, if the promisee did not receive certain chattels from a third person within a certain time, it is not necessary to aver a special demand before action brought. *Dyer v. Rich*, 1 Met. 180.

15. In declaring on a written promise by the defendant, for value received, to pay the plaintiff a sum of money if and when the defendant shall collect his demands against a third person, it is not necessary to aver that the defendant promised to use due diligence, but it is sufficient to allege that he did not use such diligence. *White v. Snell*, 9 Pick. 16.

16. An order in this form, "Pay J. or order \$ 300, if the same may be due him from me on his and my settlement, out of the last payment due from you to me, on houses which I am now building for you," and accepted by the drawee, cannot be declared on as a bill of exchange. But the drawee, in order to maintain an action thereon against the acceptor, must aver and prove that, before action brought, there was due to the drawee, upon a settlement with the drawer, \$ 300, or some other sum,

and also that a sum of money was due from the acceptor out of the last payment to be made by him to the drawer on the houses mentioned in the order. *Jackman v. Bowker*, 4 Met. 235.

17. Where a note payable at a day not yet arrived is laid before the commissioners on an insolvent estate, and disallowed, and thereupon a suit is brought against the administrator of the promisor, pursuant to Stat. 1784, c. 2, it is not sufficient to declare generally, as upon a debt already due, but the declaration should set forth the note as it is, and the proceedings before the commissioners, notice, &c. *Eaton v. Whitaker*, 6 Pick. 465.

18. Three partners being sued on a partnership note, two of them pleaded a discharge under the insolvent laws in bar, and the plaintiff discontinued against these two, and filed a specification of his claim against the third, in which he sought to charge him both on his joint liability and on an alleged separate liability for the goods which formed the consideration of the note, and omitted to amend his declaration so as to charge a separate liability. It was *held*, that the plaintiff could not recover against the remaining defendant by proving a separate liability. *Whiting v. Withington*, 3 Cush. 413.

19. In the case of a note barred by the statute of limitations, a new promise is a new cause of action, but the plaintiff has a right to declare on the original promise, and, if the statute is pleaded, to reply the new promise. *Little v. Blunt*, 9 Pick. 488.

20. Where a debt is taken out of the operation of the statute of limitations by reason of a new promise made to the executor or administrator of the creditor, a special count on such promise is not necessary. *Baxter v. Penniman*, 8 Mass. 133.

#### 4. Variance.

1. Where the payee of a note declared on it as payable to himself, but it was in fact payable to him or his order, this was held not to be a material variance. *Fay v. Goulding*, 10 Pick. 122.

2. Where the declaration in an action on a bill of exchange averred that it was made at Boston, and it did not appear by the draft itself where it was made, this was held not to be a variance. But where the plaintiff in such an action claims damages for non-payment of the bill, the place where it is drawn becomes material, and must be set forth truly, and proved as set forth. *Fairfield v. Adams*, 16 Pick. 381.

3. In an action by the indorsee of a note against the maker, the declaration and the replication to a plea of the statute of limitations alleged that the indorsement (which was without date) was made on a certain day, but the evidence showed it to have been made on another day, but previous to the commencement of the action. It was *held*, that the variance was immaterial. *Little v. Blunt*, 16 Pick. 359.

4. In an action by an indorsee against the maker of a note payable on demand, the declaration set out an indorsement in common form, but the indorsement proved was conditional on payment not being demanded within a year. *Held* a variance, notwithstanding the action was not com-



menced until after the year had expired ; but leave to amend was granted after verdict. *Stanwood v. Scovel*, 4 Pick. 421.

5. Where a suit is brought in the name of the party to whom a promise was actually made, a mistake in the name of the promisee, as described in the promise, furnishes no ground of defence to the promisor. *Charitable Association in Granville v. Baldwin*, 1 Met. 359.

6. Action upon a promise to pay a sum of money, after reasonable notice, in such iron castings as the plaintiff might wish, he furnishing his own patterns in case the defendant should not have such as the plaintiff might want. *Held*, that plaintiff might prove notice on a different day from that laid in the declaration. *Perry v. Bottsford*, 5 Pick. 189.

### 5. Joinder of Counts.

1. In declaring on a promise to pay a sum of money if and when the defendant shall collect his demands against a third person, a count alleging that the defendant did not use due diligence may be joined with one alleging that the defendant had no demands against the third person. *White v. Snell*, 9 Pick. 16.

2. The defendant, "for value received, promised to pay the plaintiff a sum of money, if and when the defendant should recover his demands against A." A count upon such a promise, alleging that the promisor, intending to wrong the plaintiff, had never attempted to recover his demands against A, cannot be joined with a count in assumpsit. *White v. Snell*, 5 Pick. 425.

3. In assumpsit against an executor, a count upon a promise by the testator may be joined with a count for the funeral expenses, alleging that they were incurred at the request of the executor, and that he, as executor, promised to pay. But if the executor had given his own promissory note in payment of the funeral expenses, *it seems* that a count upon this note could not be joined with a count upon his promises as executor, or upon promises of the testator. *Hapgood v. Houghton*, 10 Pick. 154.

### 6. Pleas.

1. It is a good bar to a declaration on a promissory note to deliver certain specific articles at a given day and time, that the defendant was ready at the time and place to deliver the articles. *Robbins v. Luce*, 4 Mass. 474.

2. To an action upon a promise to pay money at a day and place certain, the defendant pleads in bar that he was at the place appointed on the day ready with his money to discharge his promise, but the promisee was not there to receive it ; and that the money has ever since remained at the place for the promisee's use. The plaintiff had judgment because the plea was not pleaded with a *profert in curia*. *Carley v. Vance*, 17 Mass. 389.

3. To an action of assumpsit on a promissory note, the defendants pleaded a release from the plaintiff, the replication alleged a previous assignment by the plaintiffs for a valuable consideration, and that the

action was prosecuted for the benefit of the assignee, and that the nominal plaintiffs had no interest in the note, but executed and delivered the release in collusion with the defendants, and in fraud of the assignee; the defendants rejoined, that the release was not executed and delivered in collusion with the defendants and in fraud of the assignee, and tendered an issue to the country. *Held*, on special demurrer, that the rejoinder was bad, inasmuch as it tendered an issue on a mere question of law. *Rixford v. Wait*, 11 Pick. 340.

4. To an action by an indorsee against the maker of a promissory note, the defendant avers that the note was made and indorsed in blank, and given to L. T. as security for money borrowed, and that L. T. has not assigned his interest, and this he is ready to certify, &c.; he then proceeds with a regular plea of usury taken by L. T. upon the note and loan, and tenders his oath; the plea is bad, as some of the essential averments would have to be tried by a jury, and then the substantial defence by defendant's oath according to the statute. *Binney v. Merchant*, 6 Mass. 190.

5. In assumpsit on a promissory note, the defendant pleaded the general issue and a special plea, setting forth that the note was made in order to indemnify the plaintiff against certain indorsements to be made by him for the defendant's accommodation, and that the plaintiff had suffered no damage by reason of any liability so incurred. It was *held*, that the facts stated in the special plea amounted to the general issue, and that such plea might be struck out on motion, under the rule of court providing that any plea which might appear to the court improper or unnecessary may be struck out at the motion of the plaintiff. *Gardner v. Webber*, 17 Pick. 407.

6. Where, upon a plea in abatement that a prior action for the same cause was pending "as by the record appears," and replication of *nul tiel record*, it appeared by inspection of the writs in two suits brought by the same plaintiff against the same defendant, that in the first suit the first count was on a promissory note for \$53.28, payable to the plaintiff or his order on demand, and the second count was for \$800, money had and received, and that the declaration in the second suit contained a count for \$1000, money had and received, it was *held*, that the declarations were for the same cause of action, and the plea was maintained. The plaintiff, if the causes of action were not the same, should have specified in his replication the demands for which each suit was brought. *Buffum v. Tilton*, 17 Pick. 511.

7. In an action against a surety on a joint and several promissory note, the surety pleaded that he tendered to the plaintiffs the amount due on the note, in order to be enabled to recover the same of the principal, but that the plaintiffs refused to receive it. The plaintiffs replied, that at the time of such tender an action was pending in their favor against the principal; that they offered to receive the sum tendered in satisfaction of the note, provided that the surety would pay the costs legally due in such action, and indemnify them against the payment of costs to the principal; that the surety refused so to do; that afterwards the plaintiffs, having recovered judgment in such action, offered to receive of the surety the

amount due on the note, in full satisfaction of their claim against him, which the surety refused to pay. It was *held*, that, as the tender was not pleaded with an *uncore prist*, this latter averment might be rejected as surplusage, and so the replication was not double; and that the replication properly concluded with a verification. *Hampshire Manufacturers' Bank v. Billings*, 17 Pick. 87.

8. In assumpsit on a contract in writing, whereby the defendants, "for value received, promised to pay the plaintiff or his order \$ 206.50, to be paid in iron castings, subject to the order of the plaintiff, by his furnishing the models and delivering the patterns at the defendant's furnace and by giving them reasonable notice, when their furnace was in blast," — the first count set forth the contract in terms, and averred that the plaintiff, on a certain day, when the furnace was in blast, furnished the patterns and models, and demanded the castings, and that the defendants refused to deliver the same; and in the second count the contract was declared on as a promissory note for \$ 206.50, payable on demand. The defendant pleaded *non assumpsit infra sex annos*, and *actio non accrevit infra sex annos*. It was *held*, on demurrer, that the first plea being bad as respected the first count, and being pleaded to the whole declaration, it was altogether bad, and that, even if the first count were defective, the plaintiff might recover judgment on the second count; that the plea to the first count should have been *actio non accrevit infra sex annos*. *Brewster v. Hobart*, 15 Pick. 302.

#### 7. Practice.

1. Where the declaration contains one count upon a promissory note claimed to have been given for the sale of goods, and another count for goods sold and delivered, and the plaintiff gives the note in evidence in support of the first count, and there stops, and the evidence thereupon introduced by the defendant, together with the rebutting evidence of the plaintiff, proves the sale and delivery of the goods, but that the note was not accepted as payment by the plaintiff, the plaintiff may recover on the count for goods sold and delivered. *Jones v. Kennedy*, 11 Pick. 125.

2. It is not erroneous in a judge to refuse to rule, at the request of both parties, that certain facts in evidence do or do not amount, in law, to a demand upon the maker of a promissory note, so as to charge an indorser. The proper course is to instruct the jury what is necessary to constitute a legal demand, and to leave it to them to determine, upon the evidence, whether such a demand has been made or not. *Farnum v. Davidson*, 3 Cush. 232.

3. A merchant in New York sold goods there, and took the purchaser's negotiable note for the price, giving him a receipt in full for the goods. In assumpsit on an account annexed for goods sold and delivered, it was *held*, that the plaintiff could not amend his writ by inserting a count upon the note, but that he was entitled to recover on the original count, the giving of the note not being payment by the law of New York. *Vancleef v. Therasson*, 3 Pick. 12.

4. A plaintiff who commences an action against a firm, on a note given in the partnership's name by one of its members, partly for his

P

private debt and partly for a debt of the firm, may amend his declaration by filing new counts that embrace only the debts due from the firm, and may recover that debt on such new counts. But if the plaintiff knows when he commences the action that a private debt of one of the firm is included in the note, he must, as a condition of leave to amend, pay the defendant's costs to the time of making the amendment, and take no costs that accrued to him before that time. *Barker v. Burgess*, 3 Met. 273.

5. A declaration which alleges that the defendant, with a design to deceive, defraud, and injure all persons who might purchase a certain promissory note, procured a minor to indorse the same, and then sold the note to one who relied on the indorsement as valid, may be amended by adding a count, in which the averment of the defendant's fraudulent intent in procuring the indorsement is omitted, and an allegation introduced, that the defendant, after procuring the indorsement, sold the note as and for a note on which the indorsement was that of a person of full age, effectual and incapable of being avoided. *Lobdell v. Baker*, 3 Met. 469.

6. Where the liability of the defendants, in an action upon a promissory note, had been tried on the merits in a former action against them, in the name of the plaintiff's agent, on the same note, the court, in the exercise of its discretion, refused to permit the plaintiff to take the notes from the files in order to produce it in evidence in his action, or to allow him to give secondary evidence of its contents. *Rogerson v. Neal*, 16 Pick. 370.

7. A joint and several promise is not within the Stat. 1784, c. 28, § 12 (which enacts that where a plaintiff brings at the same term divers actions upon demands which might have been joined in one, he shall recover costs in only one action), but the creditor may bring an action against each of the promisors at the same time, and have judgment for costs as well as damages against them all. *Simonds v. Center*, 6 Mass. 18.

## 16. *Damages, Interest, Costs.*

1. Where a foreign creditor sues for his debt in this State, he will recover at the par and not at the rate of exchange, except in the case of a bill of exchange. *Adams v. Cordis*, 8 Pick. 260.

2. The indorsee of a protested foreign bill of exchange is, by the custom here, entitled to the amount of the bill at the par of exchange and the expenses of protest, with six per cent. interest from the time the bill was payable, and ten per cent. of the original sum, with like interest from the time payment was demanded. *Grimshaw v. Bender*, 6 Mass. 157.

3. The statute of Maine, which enacts that, in an action on a bill of exchange drawn or indorsed in that State, payable in this State, and protested for non-payment, the holder shall recover three per cent. damages, in addition to the contents of the bill and interest, does not entitle the holder to recover these damages in a suit brought against the acceptor in the courts of this State. *Fiske v. Foster*, 10 Met. 597.

4. An acceptor of a bill of exchange is not liable to the payee or indorsees for damages caused by non-payment, but only for the amount of

the bill, with interest and costs of protest. *Bowen v. Stoddard*, 10 Met. 375.

5. In an action on a note given to indemnify the payee against loss by reason of his subsequently indorsing for the accommodation of the maker, the payee is entitled to recover such sum as he shall prove that he has actually paid, before judgment rendered, in consequence of his liability for the promisor. *Gardner v. Webber*, 17 Pick. 407; *Little v. Little*, 13 Pick. 426.

6. In an action on a warranty that the indorsements on a note of a third person, which was transferred by the defendant to the plaintiff, were genuine, the measure of damages is the difference between the amount of the note and its actual value. *Coolidge v. Brigham*, 1 Met. 553.

7. In an action for a breach of a warranty that the signature of an indorser on a note transferred by the defendant to the plaintiff was genuine, the plaintiff is entitled to recover, as part of his damages, the costs incurred by him in an unsuccessful suit against the supposed indorser, if the plaintiff commenced the suit in good faith, not knowing that such signature was forged, and gave the warrantor seasonable notice of the pendency of the suit, and requested him to furnish evidence of the genuineness of the signature. *Ibid.*, 5 Met. 69; 1 Met. 547.

8. The payee of a note for \$4,310 agreed with the maker, that if the maker would convey to him certain land, the sum of \$3,200 should be allowed therefor towards the note, and if any sum should be paid in cash or otherwise, double the amount so paid should be indorsed upon the note, and upon receiving a conveyance of the land and the maker's new note for \$500, payable in one year, with interest, the first note should be given up, and in this agreement was the clause, "The above arrangement is to be carried into effect in three months." The land was conveyed within three months, and \$3,200 indorsed on the note as paid, but no other payment and no note for \$500 was made or tendered within the three months. *Held*, that the note was not a penalty to enforce performance of some other obligation, but that it was evidence of a subsisting debt to its amount; that the agreement was in the nature of a composition, the conditions of which must be strictly complied with, and the maker not having complied with these conditions, the payee was entitled to recover the balance of the note after deducting \$3,200. *Makepeace v. Harvard College*, 10 Pick. 298.

9. The plaintiff having attached land on the ground that a previous conveyance of the land by his debtor to the defendant was fraudulent, the plaintiff and the defendant agreed to submit the difference between the plaintiff and his debtor to arbitration, and made similar promissory notes to each other, which were deposited in the hands of the arbiters to be delivered up against the party who should fail to perform his agreement. Defendant having failed to perform his agreement, it was *held*, that his note was in the nature of a penalty, and that he was entitled to show, as the measure of damages, the sum actually due to the plaintiff from his debtor. *Kellogg v. Curtis*, 9 Pick. 534.

10. A promissory note was made for a sum certain, on demand, con-

ditioned to be void if the maker should allow the payee the use of a certain building, as long as it should stand. *Held*, that the sum mentioned in the note was in the nature of a penalty, and the promisee should recover only his actual damages. *Merrill v. Merrill*, 15 Mass. 488.

11. Where the payee of a note, more than six years after its date, pledges it as security for a debt, and after paying the debt, and demanding a return of the note, brings an action against the pawnee for not returning it, and the defendant does not show that the promisor was unable to pay the note, the jury are at liberty to assess damages for the plaintiff to the full amount of the note. And the filing in court by the defendant of an obligation of the defendant to indemnify the plaintiff against any act done or to be done by the defendant in respect to the note, is no ground for reducing the plaintiff's damages. *Thomas v. Waterman*, 7 Met. 227.

12. Where a note is made payable in a certain number of years, with interest annually, judgment will not be given for interest on the interest in arrears. *Hastings v. Wiswall*, 8 Mass. 455.

13. On a promissory note payable "with interest annually," if the interest be not paid or sued for as it accrues, the holder is not entitled to recover interest on the annual interest from the time such annual interest falls due, but only simple interest on the principal. *Ferry v. Ferry*, 2 Cush. 92.

14. A indorsed ten notes to B, which were payable at the end of one, two, three, and so on to ten years from date, with interest, and gave B a written promise to pay him annual interest on the notes, if the maker should not pay it. As the notes became payable, B received payment from the makers, who refused to pay annual interest thereon; after all the notes were paid, B brought an action against A to recover the difference between the amount of the interest which had been paid to him, and what he would have received if the interest had been paid annually. *Held*, that the action could not be maintained. *Henry v. Flagg*, 13 Met. 64; *Barrell v. Joy*, 16 Mass. 227; *Wilcox v. Howland*, 23 Pick. 167.

15. In casting interest upon bonds, notes, &c., upon which partial payments have been made, every payment is to be first applied to keep down the interest; but the interest is never allowed to form a part of the principal so as to carry interest. *Dean v. Williams*, 17 Mass. 417.

16. Where the holder of a note had received a payment on account thereof from the assignees of the maker, upon an order for the payment of the note, given to the holder by the indorser before it was due, it was *held*, in an action by the holder against the indorser, that the jury, in assessing damages, were not to regard any dividend which might in future be paid upon such order. *Washington Bank v. Prescott*, 20 Pick. 339.

17. A note was made payable at a day certain, with less interest than the lawful rate, if paid at maturity; if not, with lawful interest until paid; and another note, without interest, until due; if not then paid, lawful interest until paid. It was *held*, that full interest from this date was recoverable on both. *Daggett v. Pratt*, 15 Mass. 177.

18. Where the holder of a promissory note has recovered judgment

and satisfaction from the indorser, he cannot have costs in an action commenced at the same time against the maker. *Gillmore v. Carr*, 2 Mass. 171.

19. Where a suit is brought in this State, on a note payable on a day certain, in another State, without interest, the plaintiff is entitled, in the absence of evidence as to the legal rate of interest in that State, to compute interest, by way of damages for non-payment, at the legal rate of interest in this State. *Wood v. Corl*, 4 Met. 203.

### 17. Usury.

#### 1. What constitutes.

1. The fact of discounting the interest at the time of making a loan is not conclusive evidence of usury. *Lyman v. Morse*, 1 Pick. 295; *Agricultural Bank v. Bissell*, 12 Pick. 586.

2. The practice of banks to take the interest on loans in advance is not usurious. *Ibid.*

3. Banking companies are, equally with individuals, within the provisions of the statutes against usury, although they may by discounting the interest on loans receive in fact more than the legal rate of interest; and also by their system of renewals, by which the new note given in payment of the maturing note is discounted a few days before the latter is due. *Maine Bank v. Butts*, 9 Mass. 49.

4. Taking interest for portions of a year, computed on the principle that a year consists of three hundred and sixty days, or twelve months of thirty days each, is not usurious, provided this principle is resorted to in good faith, as furnishing an easy and practicable mode of computation, and not as a cover for usury. *Agricultural Bank v. Bissell*, 12 Pick. 586.

5. A note bearing interest from a day anterior to its date is not usurious on its face. *Holden v. Pollard*, 4 Pick. 173.

6. A note may be sold at a greater discount than the legal interest without being usurious. *Semble*, that it is usurious where the buyer takes the guaranty of the seller and all the parties who ever had an interest in the note. *Churchill v. Suter*, 4 Mass. 156; *Jones v. Coolidge*, 7 Mass. 199.

7. The maker of a promissory note, which was indorsed by the defendant for the maker's accommodation, applied to the plaintiff, in the State of New York, to borrow money, and handed him the note, which the plaintiff discounted at a rate then agreed to between them, and which was more than the legal rate of interest in that State. It was *held*, that the transaction was not a sale, but a loan, and that the note was void for usury by the statute of that State in force at the time of the transaction. *Van Shaack v. Stafford*, 12 Pick. 565.

8. Where, at the making of a promissory note, bearing legal interest from its date, an extra premium was also paid, it was *held*, that more than legal interest was reserved by the note, and it was therefore usurious. *Thompson v. Thompson*, 8 Mass. 135.

9. Where something besides interest, as such, is allowed on a loan and forbearance of money, it is a question of fact for the jury, whether

P \*



the contract is fairly and honestly made, or whether it is a cloak for usury. *Stevens v. Davis*, 3 Met. 211.

10. Where the testimony was, that the holder of a note, which the maker could not pay at maturity, proposed to borrow the money for ninety days if the maker would engage to pay at that time, but told the maker that the loan would cost a certain sum, and that the maker ought to pay that sum, or a part of it, and the maker assented to the proposition, and afterwards paid the holder seven dollars, part of the sum which the holder had paid, as he alleged, in order to procure the loan; it was *held*, in a suit on the note, that the jury were rightly instructed that, if the representation made by the holder to the maker, by which he obtained the seven dollars, was truly and fairly made, and if the holder in fact paid that sum, or more, in order to procure the loan, then the taking of that sum from the maker was not usurious. *Ibid*.

11. Evidence of a loan having been wanted and talked of between the parties, of a private conference between them, money advanced, security taken, notes of a third person which were worth little or nothing delivered as a large part of the consideration, the borrower being ignorant and in distress, and not accustomed to deal in other men's notes, will support a verdict on the ground of a usurious loan, though it might better support a verdict on the ground of fraud. *Train v. Collins*, 2 Pick. 144.

12. A, having advanced money on a vessel, took a note on interest for the sum advanced, with two and a half per cent. on such sum, as a commission for selling the vessel. Although the vessel was not sold, such note was held not to be usurious, the jury having found that the commission was not intended as a cover for usury. *Bartlett v. Williams*, 1 Pick. 288.

13. A bank at Albion, in the State of New York, discounted a bill of exchange, deducting a little less than legal interest for the time it had to run, and gave the holder, at his request and for his accommodation, a draft, payable in its own bills, on a bank at Albany, where by law it was required to redeem them at a discount not exceeding one half of one per cent.; and the holder received those bills at par. The Albany bank was the agent of the bank at Albion for the redemption of its bills, and paid the holder of the discounted bill in the bills of the bank at Albany, which then passed current at par; and that bank paid to the bank at Albany the amount of said draft in full. *Held*, that these facts did not prove that the bill was discounted on a usurious consideration or agreement. *Bank of Orleans v. Curtis*, 11 Met. 359.

14. Where A, being indebted, gives his promissory note payable in a specific commodity at a rate much lower than its current value, and the note, not being paid at maturity, was sued by the creditor, and afterwards the suit was adjusted by his giving a new note for the balance of the former at the low rate of the commodity; and the new note also was made payable in a specific commodity at a given day, at a rate lower than its current value; the last note was held to be usurious. *Cutler v. Johnson*, 8 Mass. 266.

15. Where by the terms of a note payable in a specific commodity



the defendant might by payment by a day certain have avoided every thing but the discharge of what was justly due, the note is not usurious, though, if he failed to pay by said day, he became liable by its terms to pay more than the principal debt and simple interest. *Cutler v. How*, 8 Mass. 257.

## 2. Where it avoids the Instrument.

1. Where more than legal interest has been taken on a loan, the security for such loan is not void under the statute of 1783, c. 55, unless the usurious interest was originally reserved thereon. *Gardner v. Flagg*, 8 Mass. 102; *Thompson v. Woodbridge*, Ib. 256.

2. Where money was lent before the statute of usury (1783, c. 55) was repealed, and a promissory note was given for its payment, with lawful interest, and the borrower promised verbally to pay additional usurious interest for the loan, it was *held*, that the verbal promise was void for want of consideration, and did not affect the validity of the note. *Butterfield v. Kidder*, 8 Pick. 512.

3. In an action on a note made and negotiated in another State, the question whether such note is void for usury must be decided by the law of that State. *Dunscomb v. Baker*, 2 Met. 8.

4. By the law of New York, a note, though given for no more than the amount of money lent, is usurious and void, if the borrower, at the time of the loan, agrees to pay the lender more than the legal interest. *Ibid*.

5. A, being justly indebted to B, gave his note for the sum due, agreeing to pay usurious interest thereon. After sundry payments thereon, a settlement was made according to the usurious agreement, and a new note with legal interest given for the balance due; this note, having been in part paid, was also cancelled, and a third note given for the balance. This last note, having been indorsed, was *held*, in an action by the indorsee against the promisor, not to be tainted with the usurious interest. *Chadbourn v. Watts*, 10 Mass. 121.

6. In settlement of a note for \$ 130, upon which usurious interest had been paid, the indorser procured and indorsed to the holder two new notes of the same promisor, one for \$ 100, the other for \$ 39, payable in thirty days, and they both were avoided as usurious. *Jones v. Whitney*, 11 Mass. 74.

7. A, being indebted to B on a note given for the usurious interest on previous loans, asks for further credit, which B was willing to give upon obtaining further security. A proposes to furnish a new note signed by C, the indorser of the former note, and made payable to D, and indorsed by him in blank. B received the new note in exchange for the former. In an action upon the new note by E, as indorsee, against C, the maker, there being no evidence to show that E knew of the origin of the note, or that he was or was not a *bonâ fide* purchaser of it, it was *held*, that the note was void for usury. *Bridge v. Hubbard*, 15 Mass. 96.

8. A, being indebted to B for a valid consideration, and B owing C a sum of money on a usurious agreement, an agreement was made that A

should give to C a note for the sum due from B to C, including the usurious interest, and A was discharged of so much of his debt to B. *Held*, that the note so given was not void for usury, the jury having negatived any design to evade the statute by the transaction. *Bearce v. Barstow*, 9 Mass. 45.

3. *What amounts to a Taking of Usury so as to subject the Taker to the Penalty.*

1. The offence of usury is completed, if more than legal interest be paid at the time of the loan, whether the principal sum be ever paid or not. *Commonwealth v. Frost*, 5 Mass. 53.

2. Where usurious interest is not originally contracted for, but is afterwards received, the security or note is not avoided, but the party receiving the usury is subject to the statute penalty. *Thompson v. Woodbridge*, 8 Mass. 256; *Gardner v. Flagg*, *Id.* 102. See 1 Pick. 267.

3. In a *qui tam* action for taking usurious interest, it was proved that A, for the consideration of \$350, conveyed to B land worth \$1,600, B undertaking to reconvey it upon A's paying \$522.97 in two instalments, the last within three years from the date of the contract. No part of the \$522.97 having been paid, it was *held*, that B was not liable to the penalty for taking usurious interest. *Thomes v. Cleaves*, 7 Mass. 361.

4. A receives B's note for \$400, payable on a day certain, and delivers him the amount secured by the note, deducting the interest for the time the note has to run at the rate of two per cent. per month on the amount of the note. In an action for the penalty on the statute, it was *held*, that A was not liable, the note not having been paid. In an action on the note, A failed to recover, on the ground that the contract was usurious. *Simpson v. Warren*, 15 Mass. 460.

5. Where, upon payment of usurious interest on a note given for money lent, the note is cancelled and a new one taken for the principal, without any agreement concerning future interest, the maker, when sued upon the second note, is not entitled, under Rev. Stat., c. 35, § 2, to any deduction on account of the usurious interest formerly paid. *Clark v. Phelps*, 6 Met. 296; 8 Pick. 512; 8 Mass. 101, 256; 10 Mass. 121.

6. A note was given in New Hampshire, by one citizen of that State to another, and usurious interest was afterwards there paid on the note. The maker subsequently removed into this State, and the payee sued him here on the note. *Held*, that the maker was entitled to no deduction from the amount due on the note, either under our Rev. Stat., c. 35, § 2, or the New Hampshire statute of February 12, 1791, § 2. *Gale v. Eastman*, 7 Met. 14.

7. Neither the giving of a negotiable note, in settlement of an account which contains a charge for unlawful interest, nor the giving of a memorandum check in settlement of the note, is such a payment of unlawful interest as will enable the party giving the note and check to recover back threefold the amount of interest paid in an action on Rev. Stat., c. 35, § 3. *Stevens v. Lincoln*, 7 Met. 525.

8. Where the maker of a note given in settlement of an account containing a charge of unlawful interest, takes up the note, by paying part of

the amount in money, and by giving a memorandum check to the payee for the balance, without any specific appropriation of the money paid to any particular items of the account, and the balance for which the memorandum check was given is equal to or larger than the amount of the usurious interest, the payee is not liable in an action on the Rev. Stat., c. 35, § 3, if the check be not paid. *Ibid.*

9. The inception of a note payable to the maker's own order, and by him indorsed, is upon the indorsement; and therefore, where, in a suit on such a note by the first indorsee, the jury were instructed that, if they believed it was usurious in its inception, they should deduct the forfeiture of threefold the interest reserved, the instruction was held to be right. *Little v. Rogers*, 1 Met. 108.

#### 4. When and by whom it may be availed of as a Defence.

1. It is competent for the administrator of the promisor, in an action against him by the administrator of the payee of a negotiable note, to prove that such note was given upon a usurious consideration. *Fox v. Whitney*, 16 Mass. 118.

2. *Semble*, it is no defence to an action by the holder of a note against the indorser, that the note was given to the holder's assignor to be applied to an eventual balance on negotiations some of which were usurious. *Pierce v. Butler*, 14 Mass. 303.

3. Usury between the indorser and indorsee, in the transfer of a promissory note, cannot be set up in defence to an action by the indorsee against the maker. *Knights v. Putnam*, 3 Pick. 183.

4. It is a good defence to an action by an indorsee against the indorser of a note indorsed for the accommodation of the maker, that the indorsee received the note as security for the performance of a usurious contract between him and the maker. *Dunscomb v. Baker*, 2 Met. 8.

5. Where A makes a usurious loan to B, and takes B's note for the money lent, and also takes, as collateral security therefor, a note of C's for a larger sum, given to B, and by him indorsed, C cannot defeat an action against him thereon, by showing the usury in the loan to B; nor can the creditors of C, who has made an assignment under Stat. 1836, c. 238, successfully object to A's proving his claim against C, and taking a dividend thereon to the amount of the money lent B. *Higginson v. Gray*, 6 Met. 212.

6. A judgment was rendered by default on a contract including usurious interest, and the judgment debtor gave a new security for the amount of the judgment. It was *held*, that the judgment on the usurious contract precluded the debtor from proving the usury in an action on the judgment or new security. *Thatcher v. Gammon*, 12 Mass. 268.

7. A mortgage made upon a usurious consideration is void only as against the mortgager and those who lawfully hold the estate under him. A purchaser of the equity of redemption cannot avoid the mortgage by plea or proof of usury. *Green v. Kemp*, 13 Mass. 515.

8. A deed purporting an absolute conveyance of land cannot be avoided by an averment or by parol evidence of usury, or of any condition or trust not expressed in such deed. *Flint v. Sheldon*, 17 Mass. 443.

5. *Of the Penalty and Forfeiture.*

1. Under Stat. 1826, c. 27, one who recovers usurious interest on a contract forfeits threefold the whole interest, usurious as well as lawful. *Brigham v. Marean*, 7 Pick. 40.

2. The maker of a note for \$3,000, payable in one year, with interest semiannually, paid a bonus of \$90 at the time of giving the note, and also made one semiannual payment of interest before the note became due. In an action on the note, the jury found that the contract was usurious, and that the amount of the usury was \$90. *Held*, that the forfeiture to be deducted under the Rev. Stat., c. 35, § 2, was \$810, being threefold the amount of the bonus and of the lawful interest for one year. *Whitney v. Tyler*, 12 Met. 190.

3. In an action on a promissory note payable in one year, "with nine per cent. interest," the forfeiture to be deducted, under the Rev. Stat., c. 35, § 2, is only three times the amount of nine per cent. for one year (and not to the day of trial), that being the amount of the whole interest reserved. *Sumner v. Williams*, 1 Met. 398.

4. Where a promissory note bearing legal interest was given for an amount greater than the sum advanced by the payee to the maker, it was *held*, that, under Stat. 1826, c. 27, the interest reserved was to be computed to the time of the verdict and added to the principal of the note; that from this was to be deducted threefold the excess of the amount of the note above the sum loaned added to the interest reserved, computed as above; and that the payee was entitled to judgment for the balance, with interest thereon from the time of finding the verdict to the rendition of judgment. *Parker v. Bigelow*, 14 Pick. 436.

5. *Quere*, what would have been the effect of fraudulent conduct on the part of the defendant, or of unnecessary delay caused by him, for the purpose of increasing the forfeiture. *Ibid*.

6. A gave a note to B, payable on demand, and B, at the expiration of a year, computed the interest thereon at nine per cent., and took from A a new note for the principal sum and the interest so computed; nineteen months afterwards B computed the interest on the second note, at ten per cent. per annum, and added compound interest, and A gave him a new note for a sum which included the principal of the second note and the interest thereon so computed, and also another sum which was justly due from him to B. *Held*, in a suit on this last note, that by the Rev. Stat., c. 35, § 2, the plaintiff, on proof of the usurious contract, was entitled to recover the amount of the note, with interest thereon, deducting therefrom threefold the amount of the interest, compound as well as simple, computed on the first two notes, and of the interest which had accrued on the note in suit. *Upham v. Brimhall*, 11 Met. 526.

7. Where, on the hiring of a cow for one year, a promise in writing was given to return the cow in a year with six dollars in cash, and if not then delivered, to pay six dollars a year until delivered, it was holden that the promisee was entitled to the six dollars for one year only, and legal interest on that sum and on the value of the cow until the delivery, and on the sum so due until payment. *Baxter v. Wales*, 12 Mass. 365.

6. *Remedy.*

1. Where one gives his promissory note to secure illegal and usurious interest on a loan made to him, and makes payments on account of said note, he cannot recover the excess of interest in an action for money had and received; his only remedy is under the Rev. Stat., c. 35, §§ 2, 3. *Crosby v. Bennett*, 7 Met. 17.

2. Where the defendant pleads that by the contract sued there is reserved more than lawful interest, and tenders his oath, it is sufficient for the plaintiff to reply that such interest is not reserved, and swear to the same, without averring that unlawful interest has not been taken or received. Stat. 1783, c. 55, § 2. *Darling v. Homer*, 16 Mass. 288.

3. In assumpsit upon a promissory note, one plea that the plaintiff had received, and another that he had taken and received unlawful interest, with a tender of the defendant's oath, were held good on demurrer. *Frye v. Barker*, 1 Pick. 266.

4. Usury must be pleaded in an action on a specialty between the original parties; but in a real action, a purchaser may avoid a prior conveyance of his grantor by giving usury in evidence under the general issue of *nul disseisin*. *Hills v. Eliot*, 12 Mass. 26.

5. In an action *qui tam* on the statute against usury, the court will not allow the plaintiff to amend his declaration which he had previously amended in the Common Pleas by leave of that court. *Hamilton v. Boyden*, 1 Mass. 50.

6. In a *qui tam* action to recover forfeiture for taking excessive usury, the plaintiff had leave to amend on payment of costs, it appearing that he was barred by the statute of limitations from commencing a new action. *Davis v. Saunders*, 7 Mass. 62.

7. Where the plaintiff declared in one count upon a usurious note, and in another upon one not usurious, and recovered judgment on both, but with a deduction of threefold interest from the usurious note, it was held, that each party was entitled to costs. *Brigham v. Marcan*, 7 Pick. 40.

7. *Evidence.*

1. In an indictment for usury, the borrower is a competent witness. *Commonwealth v. Frost*, 5 Mass. 53.

2. The oath of the defendant in proof of usury, under Stat. 1788, c. 55, is only admissible when the suit is between the original creditor and debtor. *Binney v. Merchant*, 6 Mass. 190.

3. In an action by the indorsee of a note against the maker, the defendant cannot tender his oath in verification of a plea of usury under Stat. 1783, c. 55, as the statute contemplates only those cases where the original contracting parties are also parties to the suit. *Putnam v. Churchill*, 4 Mass. 516.

4. Where a note is attempted to be avoided or enforced by the oath of a party, pursuant to Stat. 1783, c. 55, § 2, against usury, all the debtors or creditors must offer to swear, and, if required, actually swear, respectively, that there was or was not usury. *Knights v. Putnam*, 3 Pick. 170.

5. Under Stat. 1826, c. 27, and Rev. Stat., c. 35, § 4, the maker of a note, payable to his own order, and by him indorsed, is a competent witness, in a suit against him by the first indorser, to prove the defence of usury. *Little v. Rogers*, 1 Met. 108.

6. In an action by the administrator of the payee against the administrator of the maker of a note, a surety to the note is a competent witness to prove the usury, but the defendant's administrator is not, though the estate of his intestate is insolvent. *Fox v. Whitney*, 16 Mass. 118.

7. In an action by an indorsee against one of two joint and several promisors, the other promisor, though released by the defendant, was held incompetent as a witness to prove usury. *Jones v. Coolidge*, 7 Mass. 199.

8. One who had signed a negotiable promissory note, as agent for the promisors, was holden an incompetent witness to prove the note usurious in an action by an indorsee against the promisors. *Packard v. Richardson*, 17 Mass. 122.

9. On principles of legal policy, an original party to a gaming or usurious negotiable security will not be allowed to be a witness against an innocent purchaser. *Barker v. Prentiss*, 6 Mass. 430; *Widgery v. Munroe*, lb. 449.

10. The indorsers of a negotiable security are not admissible to prove it given for a usurious consideration. *Churchill v. Suter*, 4 Mass. 156.

11. In an action by the indorsee of a note against the indorser, for the accommodation of the maker, the maker, being released by the defendant, was held to be a competent witness to prove usury in the discounting of the note by the plaintiff for the maker. *Van Schaack v. Stafford*, 12 Pick. 565.

12. Where an indorsed note was made and discounted for the benefit of the maker at usurious interest, and thus first put into circulation, he is not a competent witness, in an action against the indorser, to prove the usury. *Hartford Bank v. Barry*, 17 Mass. 94.

13. The indorser of a negotiable note is not a competent witness, in an action by the indorsee against the maker, to prove usury in the indorsement of the note. *Manning v. Wheatland*, 10 Mass. 502.

## 18. Statute of Limitations.

### 1. In General.

1. A promise made on the 1st of November, 1811, was sued on the 1st of November, 1817, and was held to be barred by the statute of limitations. *Presbrey v. Williams*, 15 Mass. 193.

2. The statute of limitations begins to run from the date of a promissory note payable on demand. *Little v. Blunt*, 9 Pick. 488.

3. It is not a presumption of law, from the mere fact that more than six years have elapsed since the date of a promissory note, that it is barred by the statute of limitations, though it does not appear whether or not the note was signed in the presence of an attesting witness. *Thomas v. Waterman*, 7 Met. 227.

4. When a surety on a promissory note pays the holder before it is payable by its terms, a cause of action against his principal, for indemnity, accrues at the time when the note becomes payable, and not before; and the statute of limitations begins to run from that time. *Tillotson v. Rose*, 11 Met. 299.

5. A statute of limitations of the State of New York cannot be pleaded in bar of an action brought here by inhabitants of New York, on a note executed there by the defendants, citizens of this State. *Pearsall v. Dwight*, 2 Mass. 84.

6. The statute of limitations of another State, in which the contract was made, is no bar to an action here upon a promissory note, although all the parties resided in and were citizens of such other State when the contract was made. *Byrne v. Crowninshield*, 17 Mass. 55.

7. Where a promissory note was made in a foreign country, between subjects thereof, who remained there until by the law of limitations of such country the debt had become barred, it was *held*, that our statute of limitations could not be pleaded in bar of an action on the note brought within six years after the parties came into this State. *Bulger v. Roche*, 11 Pick. 36.

8. A debtor, formerly a citizen of this State, passed eight or ten days doing business in Salem, without concealment, and appeared on two or three days publicly doing business in Boston, but without any intention of dwelling in this State. *Quære*, whether this is such a return as would make the statute run against creditors living in Salem or elsewhere. *Byrne v. Crowninshield*, 1 Pick. 262.

9. Land under a prior attachment to its full value is property that may by the common and ordinary process of law be attached, within the meaning of the statute of limitations. So of shares in a bank or insurance company. *Ibid*.

10. To a plea of the statute of limitations in an action upon a note the plaintiff replied, that at the time of making the note the parties were beyond sea, and that he the plaintiff was never afterwards in the United States at the same time that the defendant was there, or had attachable property there, until within six years, &c. The replication was held to be bad. *Vans v. Higginson*, 10 Mass. 29.

11. To a plea of *non assumpsit infra sex annos*, the plaintiff replies, that at the time the action accrued the defendant was out of the State, and left no property in the State, and did not return until within six years before the commencement of the action. The defendant rejoins, that he was not an inhabitant of the State at the making of the note, nor until he came into the State, as alleged in the replication. Upon demurrer to the rejoinder the plaintiff had judgment. *Dwight v. Clark*, 7 Mass. 515.

12. Where one tenant in common sells trees growing on the land, and secures payment in promissory notes, the co-tenant may waive the trespass and maintain assumpsit for money had and received, and where payments on account of the notes were made at different times, the statute of limitations will run from the times of the payments. *Miller v. Miller*, 7 Pick. 133.

q

13. Where the defendant obtained possession of divers promissory notes without a legal transfer from the owner, and received payment of some of them more than six years, and of others within six years, next before the commencement of the action, it was *held*, that he was liable in *assumpsit* for the sums received within the six years, and that he was estopped to say that the notes were obtained by fraud, and that so an action of trover would have been barred by the statute. *Lamb v. Clark*, 5 Pick. 193.

14. Where the maker of a note, before the expiration of six years from the time when it fell due, proposed to the holder, that, if he would forbear bringing his action at the time, he should continue to have the same rights for one year more than he then had, and the creditor answered that he would not consent thereto, but he did not, in fact, commence his action till the six years had expired; it was *held*, that this was a sufficient compliance with the maker's proposal, and that it was a good waiver of the statute of limitations. *Webber v. Williams College*, 23 Pick. 302.

15. Where the holder of a note, which by the terms thereof has been due more than six years, brings a suit on a sealed instrument in which he and the defendant had agreed that payment of the note should be postponed for a certain time, and that it should afterwards be paid on certain conditions, the statute of limitations is not a bar to such a suit. *American Bank v. Baker*, 4 Met. 164.

16. After a promissory note had been due for some time, an indenture was executed between the maker and his creditors, by which he assigned his property in trust for such of his creditors as should become parties to the indenture, and the creditors covenanted to acquit and discharge him from all claim or demand, action or right of action, for the space of seven years, upon receiving their respective proportions of the property. The promisee executed the indenture. It was *held*, that this indenture did not suspend the operation of the statute of limitations as to the note. *Harvey v. Tobey*, 15 Pick. 99.

17. Where a note secured by mortgage had been due more than six years at the time of the death of the maker, and the holder was appointed administrator of his estate, and presented the note for allowance to the Probate Court, but it was rejected, it was *held*, that, whatever rights the administrator might have as mortgagee, his claim on the note was barred by the statute of limitations, and was rightly rejected. *Grinnell v. Baxter*, 17 Pick. 383.

18. If the maker of an attested promissory note, which has been transferred by an indorsement without date, give the indorsee a mortgage after six and within twenty years from the time when the note fell due, to secure the payment thereof, the mortgager cannot redeem the estate mortgaged, without paying the amount due on the note. *Omin v. Balch*, 4 Cush. 559.

19. On the 31st of August, 1844, A. sued out a writ against D., on a note dated September 15th, 1838, payable on demand, and described D. in the writ as of T., in the county of B., where he formerly resided, though he had removed to M., in the county of P., about two years before, without



A.'s knowledge. The writ was delivered to an officer, in the county of B., near the last day of service, who made return thereon that he could not find D. in his precinct. On the 31st of December, 1844, A. sued out another writ against D. on the same note, and caused it to be served and entered in court. *Held*, that the first action was duly commenced, and that it failed of a sufficient service by reason of an unavoidable accident, and therefore that the second action was saved from the operation of the statute of limitations, within the meaning of the Rev. Stat., c. 120, § 11. *Bullock v. Dean*, 12 Met. 15.

2. *Exceptions which take Notes out of the Operation of the Statute.*

A. *Acknowledgment and New Promise.*

1. An admission within six years that a promissory note is justly due takes such promise out of the statute; also if the admission be made by or to an executor or administrator. *Baxter v. Penniman*, 8 Mass. 133.

2. To take a demand out of the statute of limitations there must be an acknowledgment of indebtedness, or absolute or conditional promise to pay, but no set form of words is requisite, and the promise may be inferred from facts. *Whitney v. Bigelow*, 4 Pick. 109.

3. Where there is a general acknowledgment or promise, without any declared reference to the debt in suit, it is for the jury to decide from the circumstances whether reference was had to the debt sought to be recovered. *Ibid*.

4. An acknowledgment made to a stranger in the absence of the plaintiff is sufficient. *Ibid*.

5. If the new promise is made by the debtor when out of the Commonwealth, and he did not leave property therein which could be attached by the ordinary process of law, under the act of 1786, c. 52, § 4, the statute of limitations would not begin to run on the new promise until after his return. *Little v. Blunt*, 9 Pick. 488.

6. A new promise made to the holder of a note will accrue to the benefit of a subsequent indorser. *Ibid*.

7. An acknowledgment that a note is due, or a promise to pay it, made within six years by the principal in the note, is sufficient to take it out of the statute of limitations as against the surety. *Frye v. Barker*, 4 Pick. 381. See *Hunt v. Bridgham*, 2 Pick. 581; Rev. Stat., c. 120, § 14.

8. An administrator cannot revive a debt due to himself from the intestate on a promissory note, which at the time of the intestate's death was barred by the statute of limitations. *Richmond, Petitioner*, 2 Pick. 567.

9. A new promise by an executor or administrator within six years takes the case out of the statute of limitations, as well in an action against the administrator *de bonis non*, as in one against the original executor or administrator who made the promise. *Emerson v. Thompson*, 16 Mass. 429.

10. An administrator who has given notice of his appointment pursuant to the statute of 1788, c. 66, cannot waive the bar, thence arising,

as he may the general statute of limitations. *Ibid.*; *Grew v. Burditt*, 9 Pick. 265.

11. But an admission by an administrator will not take the demand out of the statute of 1791, c. 28, limiting suits against administrators to four years. *Brown v. Anderson*, 13 Mass. 201.

12. An acknowledgment of a spendthrift under guardianship, that a note made by him before he was put under guardianship is due, will not take it out of the statute of limitations. *Mason v. Felton*, 13 Pick. 206.

13. A promise within six years, by the guardian of a spendthrift, to pay a note made by the spendthrift before he was put under guardianship, will take it out of the statute of limitations. *Ibid.*

14. Where a minor makes a payment on a joint note given by him and an adult, and after he comes of age makes an oral promise to pay the balance, he thereby so ratifies his former payment, that it will take the note out of the operation of the statute of limitations as to himself, but not as to the adult. *Peirce v. Tobey*, 5 Met. 168.

15. A joint note made in 1815, by two promisors, being shown in 1830 to one of them, he said first, that he thought he was a witness to a note, and was not aware, till he saw the note, that he had signed it, or any other note, with the other promisor. He admitted that he signed the note, and that he did not know that it had been paid, but presumed it was due. *Held*, that this was not sufficient to take the note out of the statute of limitations: but in the case of a sole debtor such admissions might be considered as strong evidence of the present existence of the debt. *Cambridge v. Hobart*, 10 Pick. 232.

16. The maker of a promissory note wrote a letter to the holder, saying: "Next week I shall be able to send in to C. T. a statement of my affairs; he will show you the whole of my property and ask for a discharge. I should have done this before, but have been sick and obliged to work for my board. I have large demands, &c., but I cannot collect them and think I never shall." *Held*, that this letter was not an acknowledgment to take the note out of the statute of limitations. *Bailey v. Crane*, 21 Pick. 323.

17. The defendant in an action upon a promissory note said "he supposed that the note was paid by the land mortgaged as collateral; that he wished the business settled, and was willing to do what was right,—that he considered the land as given in payment of the note, as he was then bankrupt,—that he should be willing to make some small additional payment for the purpose of settling the business without recourse to law, but that if the plaintiff thought proper to sue without taking the land he should resist the suit." *Held*, that this did not take the demand out of the statute of limitations. *Gardner v. Tudor*, 8 Pick. 205.

18. If the maker of a note agree with the holder to pay him a certain proportion of the amount due, in full discharge of the note, and afterwards make and sign a note for the amount so promised, and offer it to the holder, in payment of the first note, and the holder refuse to receive it; this is not such an acknowledgment or promise as will prevent the first note from being barred by the statute of limitations. *Smith v. Eastman*, 3 Cush. 355.

19. The maker of a note wrote a letter to the payee, offering to give a new note payable on time, and saying, "You shall have your pay if I live, and the whaling business does not fail. Now if you will agree to this, I will renew, or else you must do the next best." The payee did not accept the offer, but brought an action on the note. *Held*, that the letter did not take the note out of the operation of the statute of limitations. *Mumford v. Freeman*, 8 Met. 432.

20. Where a promissory note, made and delivered as a settlement of a demand barred by the statute of limitations, is given up to the maker by the payee, for the purpose of restoring all matters between the parties to the state they were in before the note was given, the act of making and delivering such note is not competent evidence to take the original demand out of the operation of said statute. *Aliter*, it seems, if it be given up for the purpose of leaving open the question of the amount due to the payee, and not the question of the maker's being indebted to him. *Sumner v. Sumner*, 1 Met. 394.

#### B. Partial Payment.

1. A partial payment made on a note by the principal promisor will take the debt out of the statute of limitations. *Hunt v. Bridgham*, 2 Pick. 581.

2. A mere indorsement by the plaintiff on the notes, without the knowledge of the defendant, or proof of payment of the sum indorsed, will not take the demand out of the statute. *Whitney v. Bigelow*, 4 Pick. 109.

3. In an action by the payee against the maker of a promissory note, the defendant relied on the statute of limitations, and the plaintiff gave in evidence an indorsement of payment, written thereon by himself, and dated within six years next before the suit was commenced, as follows: "Received Cotton Mill order, in part, sixteen dollars"; also an order of the same date, drawn on the plaintiff, in favor of the defendant, by a third person, for \$22.38, and directing the plaintiff to charge the same to the Cotton Mill; and an acknowledgment of the defendant, written on the back of the order, that he had "received the within as specified." *Held*, that this was not a sufficient proof of payment to take the case out of the operation of the statute of limitations. *Waterman v. Burbank*, 8 Met. 352.

4. In the case of a joint and several promissory note made by two promisors, a partial payment within six years, by the administrator of one of them, will not take the note out of the statute of limitations, as against the surviving promisor. *Hathaway v. Haskell*, 9 Pick. 42.

5. A negotiable note given by a debtor for part of a debt is payment of such part, and takes the debt out of the operation of the statute of limitations. Rev. Stat., c. 120. *Ilseley v. Jewett*, 2 Met. 168.

6. A note given by a guarantor, in payment of the interest due on the guaranteed note, takes the debt out of the operation of the statute of limitations. *Sigourney v. Wetherell*, 6 Met. 553.

7. Where a note was made by one as principal, with two others as

Q\*

sureties, and the principal paid the interest annually from the time the note was made, such payment was held sufficient to take the note out of the statute of limitations as against the surety. (But see Rev. Stat., c. 120, §§ 14, 17.) *Sigourney v. Drury*, 14 Pick. 387. See *Bangs v. Hall*, 2 Pick. 368; *Hunt v. Bridgham*, 2 Pick. 581; *White v. Hale*, 3 Pick. 291.

8. In a suit by the payee against the maker of a promissory note, if the defendant relies on the statute of limitations, and the plaintiff relies on a payment by the defendant within six years, the plaintiff may introduce parol evidence of a receipt given by him to the defendant for money paid on the note, although it appears that the defendant returned the receipt to him upon his indorsing the amount thereof upon the note. *Williams v. Gridley*, 9 Met. 482.

9. An oral admission by the defendant, that he has made a payment on the demand in suit, within six years next before the suit was commenced, is competent evidence to take the case out of the statute of limitations. Rev. Stat., c. 120, § 17. *Ibid.*

10. Where the maker of a note delivered goods to the holder, to be sold and the proceeds appropriated towards the payment of the note, and a sale of the goods was made within a reasonable time and the proceeds indorsed upon the note, it will be considered, in reference to the statute of limitations, as a payment made by the maker's order. But if the holder, without any assent of the maker, or notice to him, makes the sale and indorsement after a reasonable time has elapsed, this will not take the note out of the statute. *Porter v. Blood*, 5 Pick. 53.

### C. Attestation of Notes.

1. The name of a person subscribed to a note with the intent of attesting the signing thereof by the maker, is a sufficient witnessing within the statute of limitations; although there are no words over the name indicating the intent of the subscription. *Faulkner v. Jones*, 16 Mass. 290.

2. The attestation of a note, within the Rev. Stat., c. 120, § 4, must be made with the knowledge of the promisor, and as part of the same transaction with the making of the note; and whether it is so made is a question of fact for the jury, as to which the burden of proof is on the promisee. *Drury v. Vannear*, 1 Cush. 276.

3. A note was signed by the maker in the presence of the attorney of the payee, the word "witness" having been previously written on the note by the attorney, who wrote the note and intended to subscribe it himself as a witness; but he did not inform the maker of his intention of witnessing the note, and accidentally omitted so doing while the maker was present. Two or three hours afterwards the attorney subscribed his name as a witness, the maker not being present and not knowing or consenting to his so subscribing, and then delivered the note to the payee. *Held*, that this note was not witnessed so as to avoid the statute of limitations. *Smith v. Dunham*, 8 Pick. 246.

4. Where a witness attests the signature of one maker of a promis-

sory note, and another maker afterwards signs it, it seems that it is not an attested note within the provision of the statute of limitations. Stat. 1786, c. 52, § 5. *Walker v. Warfield*, 6 Met. 466.

5. A memorandum written on a note, by the maker, in these words, "For value received I hereby acknowledge this note to be due, and promise to pay the same on demand," and signed in the presence of an attesting witness, is itself a "promissory note," within the fourth section of the Rev. Stat., c. 120, and an action thereon is not barred by the statute of limitations. *Commonwealth Ins. Co. v. Whitney*, 1 Met. 21.

6. An indorsement on an unattested promissory note acknowledging it to be due, signed by the promisor and attested by a witness, is not an attested promissory note within the meaning of Rev. Stat., c. 120, §§ 4, 7, extending the limitation of actions upon such notes to twenty years. *Gray v. Bender*, 23 Pick. 282.

7. After a mortgage had been given in the usual form to secure payment of a sum of money, the mortgager borrowed an additional sum of the mortgagee, gave him an unattested note therefor, and at the same time signed an indorsement on the mortgage deed, whereby he acknowledged the receipt of such sum, and promised to pay it "on the same conditions as the within, as per note of hand of this date." The indorsement was attested by a witness. It was *held*, that the indorsement was a duplicate note, and that the mortgagee might maintain an action on it, although the unattested note was barred by the statute of limitations. *Grinnell v. Baxter*, 17 Pick. 386.

8. Where a promissory note, attested by a subscribing witness, was given on the 15th of August, 1825, for the payment of a sum of money, "with interest annually," within three days after the decease of H. F., who died on the 2d of June, 1845, and an action was commenced on the 4th of October, 1847, to recover the amount due on the note, it was *held*, that the interest for the first two years was not barred by the Rev. Stat., c. 120, § 7. *Ferry v. Ferry*, 2 Cush. 92.

9. A promissory note given by an infant, and signed in the presence of an attesting witness, is not barred by the statute of limitations (Rev. Stat., c. 120, § 4), if the action thereon is brought by the original promisee. *Earle v. Reed*, 10 Met. 387.

10. The provision in the Rev. Stat., c. 120, § 4, which excepts from the operation of the statute of limitations an action brought by the original payee, &c. of a promissory note, signed in the presence of an attesting witness, does not apply to an action by the first indorsee of a note made payable to the promisor's own order, and by him signed and indorsed in blank, at the same time, in the presence of a person who puts his name thereto, as an attesting witness to the promisor's signature on the face of the note, but not to the indorsement. *Kinsman v. Wright*, 4 Met. 219.

11. The indorsement of a witnessed negotiable note more than six years after an action hath accrued thereon, does not discharge the promisor from his liability, but the note is thereby placed upon a footing with notes not witnessed, as it respects the statute of limitations. *Frye v. Barker*, 4 Pick. 381.

12. Where the joint payees of a promissory note assigned the same to one of the said payees, he cannot, in an action thereon as assignee, avail himself of the note's having been attested, to take it out of the statute of limitations, as the original payees could. *Russell v. Swan*, 16 Mass. 314.

13. The indorsee of a witnessed promissory note may maintain an action thereon, for his own use, in the name of the payee, against the maker, after the expiration of six years from the time when the cause of action first accrued, if such action is brought with the consent of the payee, or he does not object thereto. *Hodges v. Holland*, 19 Pick. 43. See *Mosher v. Allen*, 16 Mass. 451.

14. The holder of a witnessed promissory note, payable to a person named therein, or bearer, may maintain an action thereon, for his own use, in the name of the administrator of the payee, after the expiration of six years from the time when the cause of action accrued, provided the action is brought with the consent of such administrator. *Sigourney v. Severy*, 4 Cush. 176.

15. A debtor gave his creditor a note, signed in the presence of an attesting witness and made payable to a bank; the creditor received the note in satisfaction of his demand on the maker, and sold and delivered it to a third person, who kept it in his possession fifteen years, and until after the maker's death, and then prosecuted an action thereon for his own benefit, in the name and with the authority of the bank, against the maker's executors. *Held*, that the case was not within the exception in the statute of limitations as to attested notes (Rev. Stat., c. 120, § 4), and that the action could not be maintained. *Village Bank v. Arnold*, 4 Met. 587.

### 19. Set-off.

1. In assumpsit on two bills of exchange, it was held that the defendants could not file as a set-off a demand against the plaintiffs for certain merchandise consigned by the defendants to them for sale, and which they had negligently sold to an insolvent. *Adams v. Manning*, 17 Mass. 178.

2. In an action for money paid by the plaintiff as surety for the defendant upon a promissory note, the defendant was allowed to set off an account for money had and received by the plaintiff for the use of the defendant. *Richards v. Blood*, 17 Mass. 66.

3. In an action brought upon a check which had been assigned to the plaintiff as trustee for the payee's creditors, the defendant was not allowed to file in set-off a note of the payee's for a larger sum, which he had purchased at a discount. *Makepeace v. Holland*, 8 Mass. 418. See *Sargent v. Southgate*, 5 Pick. 318.

4. A borrowed money of an insurance company, and gave a note therefor payable in twelve months to the order of B, who at the same time indorsed it to the company for the accommodation of A. *Held*, that B could not, in an action against him as indorsee by the company, set off A's claim against the company, on a policy of insurance. *St. Louis Perpetual Insurance Company v. Homer*, 9 Met. 39.

5. Where A signed a note as principal and B as surety, A cannot set off (under Rev. Stat., c. 96, § 8), in an action against himself and B on the note, a demand against the plaintiff due to A alone. *Warren v. Wells*, 1 Met. 80.

6. The remedy of A is under Rev. Stat., c. 90, § 50, by cross-action and set-off of judgments by allowance of the court. *Ibid.*

7. One of two partners having died, the survivor bought the stock on hand of the executor of the deceased partner, and gave three promissory notes for the amount. All the notes but one were paid at maturity, and the third was taken up and renewed by the note in suit, with which the executor charged himself in settling his accounts in the probate office. The surviving partner paid interest on the note for several years, and charged himself with his portion of the loss in business in balancing the books of the firm. In an action by the executor against the surviving partner on this note, it was *held*, that the defendant could not set off a claim for payments made to the executor of more than was due the estate of his deceased partner, by reason of errors in the partnership accounts, and the description of the plaintiff in the writ as executor was surplusage. *Grew v. Burditt*, 9 Pick. 265.

8. A, being in failing circumstances, assigned his property (including a valid demand on B, a merchant in Russia) to certain of his creditors, in trust for all who would execute a release to him. C, holding A's negotiable note, remitted it to B, requesting him to stop the amount in his hands due A for the payment of the note. B received the note at the same time that he received notice of A's failure and general assignment; and it was *held*, that he could not retain the amount thereof in an action brought in A's name for the benefit of the creditors, parties to the assignment. *Goodwin v. Cunningham*, 12 Mass. 193.

9. The provision in Stat. 1839, c. 121, § 1, that, in a suit by an indorsee against the maker of a promissory note payable on demand, "any matter shall be deemed a legal defence, and may be given in evidence accordingly, which would be a legal defence to a suit on the same note, if brought by the promisee," entitles the maker to set off, in such suit, a judgment recovered by him against the promisee. *Lewis v. Brooks*, 9 Met. 367.

10. A. B. gave his note to E. C. for \$600, on demand, to be negotiated to S. C. in payment of a debt due from E. C. to S. C., and E. C. at the same time gave his note to A. B. for \$600, and a mortgage of personal property to secure said note. S. C. refused to receive A. B.'s note in payment of E. C.'s debt, sued E. C., attached the property which E. C. had mortgaged to A. B., and recovered judgment; E. C. indorsed A. B.'s note to J. L.; A. B. sued E. C. on E. C.'s note to him, and recovered judgment; J. L. brought an action against A. B. on his note, which E. C. had indorsed to J. L., and A. B. filed in off-set, under the provisions of Stat. 1839, c. 121, § 1, his judgment against E. C. On the trial of this action, it appeared that when S. C. in his suit against E. C. attached the property mortgaged to A. B. by E. C., A. B. brought an action against him for attaching it, but that the action was never entered in court; that the mortgaged property was sold towards satisfy-

ing the judgment which S. C. recovered against E. C.; and that S. C. gave A. B. a bond of indemnity against his note to E. C., which was indorsed to J. L. *Held*, that A. B. was entitled to set-off, against his note to E. C., the judgment which he had filed, although the set-off inured to the benefit of S. C. *Lewis v. Brooks*, 12 Met. 304.

11. The maker of a promissory note, after it was payable, at the request of the promisee executed a bond, as his surety, for a less amount than was due by the note, and it was agreed that a balance should remain unpaid on the note sufficient to indemnify the maker if he should be obliged as surety to pay the bond. The promisee became bankrupt, and passed the note with his other property to his assignee; after which the maker paid the amount of the bond; and it was *held*, in a suit against him by the assignee on the note, that these facts were a good defence to the amount paid on the bond. *Ward v. Winship*, 12 Mass. 481.

12. Where the maker of a promissory note is sued thereon by the payee, and has a demand against a third person, which the payee was not originally bound to pay, such demand cannot be set off against the note in consequence of the payee's having made a valid engagement that the maker shall receive such demand out of the payee's estate after his decease. *Foot v. Martin*, 1 Met. 273.

13. Where a note had been fraudulently indorsed by the payee after it was dishonored, the maker was allowed to avail himself, under the general issue in an action by the indorsee, of notes given to him by the payee before the indorsement. *Stockbridge v. Damon*, 5 Pick. 223.

14. In an action by the indorsee against the maker of a note negotiated when overdue, the defendant may show in his defence a negotiable note made to him by the payee before the indorsement of the note, having shown it was intended as evidence of a payment on account of the note in suit. *Sargent v. Southgate*, 5 Pick. 311.

15. In such an action, the defendant may file in set-off a negotiable note made to him by the payee, though not on account of the note in suit, if made before the defendant had notice of the indorsement. *Ibid.*; *Baxter v. Little*, 6 Met. 11.

16. The defendant cannot avail himself of such a note in his defence, unless he show in evidence that it was given on account of the note in suit, or file it in set-off. *Ibid.*

17. It is no objection to such a set-off, that the defendant had commenced a suit upon the note filed. *Ibid.*

18. A testator having devised certain lands and bequeathed certain chattels to a minor, whom he also made one of his residuary legatees, afterwards sold and conveyed said lands and chattels to a third person, and took his notes in payment; after his decease his executor delivered those notes to the minor's guardian, who gave his receipt therefor, "in full of the legacy bequeathed" to said minor, and collected the money due thereon. The executor having been removed, and an administrator *de bonis non* appointed, it was *held*, in an action by the latter against the minor's guardian to recover the proceeds of the notes, that the guardian could not retain by way of set-off any sum due to the minor as residuary legatee on account of money received by the executor. *Stevens v. Goodell*, 3 Met. 34.



19. In an action against the promisor by the holder of a note indorsed after it was dishonored, the defendant cannot file in set-off a demand against the payee. *Quere*, whether he may not give in evidence under the general issue the same facts which would constitute a defence in another form if the payee were plaintiff. *Peabody v. Peters*, 5 Pick. 1.

20. The defendant in assumpsit, under the provisions of Stat. 1793, c. 75, § 4, filed a set-off, which merely stated that the plaintiff was indebted to the defendant for "the amount of account due as per books, \$10,000." It was *held*, that this was a sufficient "account" within the meaning of the statute, but that the defendant was limited by the words of the set-off to such demands as were entered in his books, and that evidence in support of certain promissory notes which the defendant claimed to have allowed under this set-off, but which did not appear to be entered upon his books, was inadmissible. *Jackson v. Hall*, 14 Pick. 151.

21. In assumpsit by the indorsee against the maker of a note indorsed after it was due, the defendant was not allowed to set off several notes made to him by the original payee of the note in suit, as he had not regularly filed them in set-off pursuant to the statute; but a new trial was granted to allow him to show that they were given as evidences of payment of the note in suit. *Braynard v. Fuller*, 6 Pick. 355.

#### 20. Of the Trustee Process as affecting the Parties to Bills of Exchange and Promissory Notes.

1. The maker of a promissory note, not negotiable, payable to the defendant's wife, for a consideration arising wholly out of her property, was adjudged the trustee of the defendant. *Shuttleworth v. Noyes*, 8 Mass. 229.

2. A, holding promissory notes of B, and having given B his own note, not negotiable, for a smaller amount, payable by instalments, indorses on B's notes, which were not then payable, and without B's assent, the sums due from him to B, as the instalments fell due. *Held*, that A. was still the trustee of B to the amount of his note to B. *Greenough v. Walker*, 5 Mass. 214.

3. The promisor in a contract not negotiable, but which has been assigned in equity, cannot be held as trustee of the promisee after the assignment; but the assignee must exhibit to the promisor satisfactory evidence of a legal assignment, that he may disclose it on his examination, or he will be held. *Foster v. Sinkler*, 4 Mass. 450.

4. Where a note not negotiable has been assigned to the payee, and the maker is afterwards summoned as his trustee, in order to entitle the assignee to the benefit of the assignment, it is not necessary that he should give notice of it to the maker of the note before the service of the writ on him; it is sufficient if the notice is given at any time before he has made his answer. *Ammidown v. Wheelock*, 8 Pick. 470.

5. Nor is it necessary, in order to entitle the assignee to become a party to the suit, that he should exhibit the note to the trustee when he gives him notice of the assignment. *Ibid*.

6. *Semble*. If after service of a trustee process by leaving a copy, the

person summoned shall *bonâ fide*, before actual notice of the service, make a payment, or give or accept a negotiable security in favor of the principal debtor, which shall have been negotiated before notice, he will be protected. *Aliter*, where he has reason to suppose such service has been made, and he nevertheless makes a payment, &c., with a view to assist the principal debtor in defrauding his creditor. *Williams v. Marston*, 3 Pick. 65.

7. The Bank of Michigan placed funds in the hands of W. & Co., in New York, for the special purpose of paying its drafts made in favor of various individuals, and not then due and payable, and afterwards drew an order on W. & Co. in favor of D. of Springfield, for the amount of said funds, and desired D. to make arrangements with W. & Co. to provide for the payment of said drafts, so far as the funds should be sufficient therefor; and W. & Co. placed said funds on their books to the credit of D., who instructed them to pay the drafts, as they should be presented, at maturity. The holders of the drafts had notice that said funds were placed at D.'s control for payment of their claims, and assented thereto, and D. had notice of this assent. A creditor of the bank residing in this State afterwards sued the bank here, and attached said funds in D.'s hands, by the trustee process. *Held*, that the process could not be maintained against D. *Dwight v. Bank of Michigan*, 10 Met. 58.

8. The assignee of R., a bankrupt, after proof of a creditor's demand and payment of one dividend, indorsed on the notes constituting that demand, "I will be accountable to bearer, for the benefit of the creditors of S. G. (the payee), in proportion to their respective demands on him, for such dividend thereof as may be hereafter decreed by the commissioners on the within-named R.'s estate, to be paid by me as assignee." The assignee is still liable to foreign attachment as trustee of such creditor. *Jones v. Gorham*, 2 Mass. 375.

9. A and others, summoned as trustees of B, disclosed that, as assignees of C, they held a dividend of C's estate payable to B. B filed an affidavit that his claim against C's estate was upon certain promissory notes, upon which he had already indorsed a former dividend received, and which he had assigned for a valuable consideration. *Held*, that the court could not take notice of this affidavit. *Minchin v. Moore*, 11 Mass. 90.

10. Where the payee of a note proves his demand under a commissioner of bankruptcy against the maker, the assignee of the bankrupt is liable to attachment as trustee of the payee, notwithstanding the note afterwards appears to have been negotiated. *Decoster v. Livermore*, 4 Mass. 101.

11. Where, upon a consignment of goods to be sold on commission, the consignees accepted an order drawn upon them by the consignor, by which they were requested to pay *to his order*, in thirty days, the sum of \$1,000, or *what might be due after deducting all advances and expenses*, and subsequently to such acceptance, but before the goods were sold, the consignees were summoned as trustees of the consignor; it was *held*, that the order was not a *negotiable* security, nor could it operate as an assignment, as it was not made to a third person. *Cushman v. Haynes*, 20 Pick. 133.

12. One summoned as trustee made answer, that certain negotiable notes had been left with him by the defendant for collection, and that he had given an accountable receipt promising to account for the proceeds to the defendant or bearer; that a part of the notes had been collected and was in the hands of the respondent at the time of the service of the writ, and that he had been called upon to pay the whole of the proceeds to one R., who produced the receipt, claiming to be the bearer. It was *held*, that the receipt was not a negotiable security, because not a promise to pay a sum certain; and as it did not appear that it had been duly assigned before the service of the trustee process, the respondent was charged as trustee. *Fiske v. Witt*, 22 Pick. 83.

13. H. & Co. being insolvent placed a number of demands in their favor in the hands of S. for collection, that he might take charge of the proceeds and keep them out of the reach of the trustee process, and pay a dividend to such of the creditors of H. & Co. as might be willing to discharge them. No creditors were parties to this arrangement. S. accepted an order drawn by H. & Co., requesting him to pay the money which he might collect to the order of B., who was one of the firm. S. having collected a part of the money, lent it to different persons, taking their notes payable to himself. He was afterwards summoned as trustee of H. & Co., when he had in his hands nothing but some of the demands left with him for collection, and the notes he had taken. After the service of the writ he paid a dividend, in conformity with verbal orders from B., to such of the creditors of H. & Co. as were willing to discharge them. *Held*, that the arrangement between H. & Co. and S. was a legal fraud upon the creditors of H. & Co.; that S. was chargeable for the money he had collected on the demands before the service of the writ, notwithstanding his having lent it; and that the acceptance of the order by S. did not affect his liability in this process. *Hooper v. Hills*, 9 Pick. 435.

14. Where a bill of exchange was drawn on the defendant, payable to the plaintiffs, as factors, of and for the use of the drawer, the defendant having accepted the bill cannot refuse payment because he has been sued as trustee of the drawer. *Van Staphorst v. Pearce*, 4 Mass. 258.

15. Where one to whom real estate was assigned, on a promise to sell the estate and pay over the proceeds, has actually sold it, and taken promissory notes for the price, and while the notes remain unpaid he is served with trustee process as trustee of the person to whom the proceeds are to be paid, he cannot be charged. *Guild v. Holbrook*, 11 Pick. 101.

16. Where the assignees of an insolvent debtor, under an authority contained in the assignment, sell the assigned property and take notes therefor on time, they cannot be held as trustees of the assignor, if summoned before the notes are payable. *Hopkins v. Ray*, 1 Met. 79.

17. Where one summoned as trustee disclosed that the principal defendant made a general assignment of his property to the respondent in trust to pay creditors who should become parties to the assignment, and afterwards the creditors who had executed the assignment, with the plaintiff and other creditors, gave the defendant a letter of license upon certain

R

terms; and that, upon the defendant's failure to comply with these terms, the respondent proceeded to sell the assigned property, and sold a part thereof to one W., taking therefor his negotiable note, payable to a bank and signed by the respondent as surety, and discounted by the bank. It was *held*, that the respondent was chargeable for the price of the property sold W., the note being *prima facie* a payment, and this presumption not being rebutted by the fact that the note was signed by the respondent as surety. *Scott v. Ray*, 18 Pick. 360.

18. One who has collected for an executor the amount of a note made payable to "A. B., Executor, &c.," is liable to be trustee in a suit against the executor for a demand due from him personally. *Coburn v. Ansart*, 3 Mass. 319.

19. Under act of Feb. 28, 1795, the indorser of a promissory note, after a verdict obtained against him by the indorsee and before judgment, cannot be held as trustee of the indorsee. *Ennson v. Healy*, 2 Mass. 32.

20. Where a debtor had deposited with his creditors, in addition to other security, certain negotiable notes, to be returned to him in case they were not necessary for the indemnity of the creditors, it was *held*, that, until a demand made by the debtor for the notes, the creditors were not chargeable as his trustees on account of holding them. *Maine Fire and Marine Ins. Co. v. Weeks*, 7 Mass. 438.

21. Where a person summoned as trustee disclosed that, at the time of service of the writ, he was indebted to the principal defendant in a small balance of account payable subsequently to that time, and had before that time indorsed a note of the defendant to a much larger amount, which he was forced to pay before he made his answer, in consequence of the failure of the defendant, it was *held*, that the supposed trustee might set off the amount thus paid by him against the debt due from him, and that therefore he could not be chargeable. *Boston Type, &c. Co. v. Mortimer*, 7 Pick. 166.

22. Where A and B, for the proper debt of A, had given C two joint and several notes for the delivery of specific articles at a place certain, at two different times, and A was summoned as trustee of C, and pending the original suit the first note fell due and was paid by A's surety, B, and afterwards, pending a *scire facias* against A, the second note fell due, and neither C nor the sheriff was ready to receive payment at the time and place when the notes were due, A was discharged. *Jewett v. Bacon*, 6 Mass. 60.

23. L., being summoned in foreign attachment as trustee of S., disclosed that he signed as surety for S. a note given to K. as the consideration for lands, and received of S. several negotiable notes made by third persons, with the proceeds of which he was to pay the note given to K., and also took from K. a deed of the land, giving a bond to S. that upon being exonerated from his liability to K. he would reconvey the land to C. in trust for the wife and children of S.; that all the notes assigned, excepting one, were collected, and the money paid to K. before the service of the writ, and the remaining note was collected afterwards. *Held*, that L. was not chargeable as trustee of S. either in regard to any one of the notes or the land. *Dickinson v. Strong*, 4 Pick. 57.

24. C. took from W. a deed of the real estate that descended to W. from his father, and gave to W. a conditional note, payable on demand, by the terms of which it was not to be paid, if it should turn out that, for any cause, W. had no title to the estate; or if his title to any part thereof should fail, the note should not be paid, or be paid in proportion only to the estate that should be held by C. On a suit in which C. was summoned as trustee of W., his answer stated that it was not certain that W. had any interest in the estate which he could convey; that W.'s interest in the estate had been attached on several writs, before the deed to C. was executed; that W.'s mother was entitled to dower in the estate, and that it would be necessary to sell some, if not the whole, of the estate, for payment of the debts of W.'s father; so that it remained doubtful whether any estate would come to C. by virtue of the deed from W. C.'s answer further stated, that, after the service of the trustee process upon him, he gave a quitclaim deed of said estate to T., who was interested in the estate of W.'s father, without any consideration except the cancelling of his aforesaid note; and that he did this under the belief that the deed from W. to him was worth nothing, and that he was not liable to W. on the note. *Held*, that C. could not be charged as trustee of W., the note not being due absolutely, but depending on a contingency, and that his liability was not varied, in any degree, by his quitclaim deed to T. *Greenway v. Wilmarth*, 12 Met. 12.

25. Upon a settlement of accounts between the defendant and the town of W., a check upon a bank payable to bearer was given to the defendant for the amount due him; but it was agreed that the check should remain in the hands of one of the selectmen to whom the defendant was indebted, that he might procure the money from the bank, and pay therewith his own demand, and also a debt due from the defendant to the town, the amount of which was not ascertained. Whilst the check was in the hands of the selectman, the town was summoned as trustee of the defendant, and it was *held* that the delivery of the check was a payment of the debt due from the town to the defendant, and that the depository was the agent of the defendant and not of the town. *Barnard v. Graves*, 16 Pick. 41.

26. C., being summoned as trustee of H., disclosed an assignment made to himself by H., in trust to pay debts due to himself and others, and to pay over the surplus to H.; that, being told the plaintiff intended to summon him, he gave a bank check to H. for the probable surplus, without any understanding that it should not be presented for payment, but that it was not presented; that afterwards, H. being about to be absent from the State, C. suggested that the check should be left with some one who might apply it to the payment of debts not provided for, and it was put into the hands of C.'s clerk, with whom it still remained. It was *held*, that giving the check was not a payment of the surplus, and C. was adjudged trustee. *Dennie v. Hart*, 2 Pick. 204.

27. Bank-notes of a foreign banking company were holden not to be goods, effects, or credits of a principal debtor, in the hands of one summoned as trustee, but choses in action or promissory notes transferable by delivery. *Perry v. Coates*, 9 Mass. 535.

28. One being summoned as trustee, disclosed that a sum of money which was due to the principal defendant and himself severally was paid to them, partly in bank bills, and partly in checks on certain banks; that the principal requested him to take the checks and get the money for them, and that they could afterwards divide the money; that he accordingly obtained from the banks the amount of the checks in bank bills, but that, before any division was made, he was summoned under the trustee process as trustee of the defendant. It was *held*, that he was chargeable. *Morrill v. Brown*, 15 Pick. 173.

29. Where, in a process of foreign attachment against a bank, it appeared by the answers of the party summoned as trustee, that the respondent was accustomed to take up the bank bills issued by the bank, and charge the amount to the bank, and to credit the bank with funds furnished by it for the purpose of taking up the bills, and to return the bills to the bank, it was *held*, that the respondent was not chargeable as trustee for bills thus taken up and remaining in his hands at the time of service of the process. *Wildes v. Nahant Bank*, 20 Pick. 352.

30. One to whom an absconding debtor had conveyed certain real estate, being summoned as trustee of the debtor, was held not bound to answer an interrogatory, whether, on moneys loaned by him to the principal debtor, and which formed part of the consideration for the conveyance, he had not received more than six per cent. interest. *Boardman v. Roe*, 13 Mass. 104.

31. A testator, having devised certain land and bequeathed certain chattels to a minor, whom he also made one of his residuary legatees, afterwards sold and conveyed said land and chattels to a third person, and took his notes in payment. After his decease, his executor delivered these notes to said minor's guardian, who gave his receipt therefor, "in full of the legacy bequeathed" to said minor, and collected the money due thereon. The executor was afterwards removed from his trust, and an administrator *de bonis non*, with the will annexed, appointed. *Held*, that the guardian was not chargeable, in a process of foreign attachment, as trustee of the executor. *Stevens v. Goodell*, 3 Met. 34.

21. *Miscellaneous.*

1. Of Notes given to Married Women.
2. Of Notes given by Agents, and whether the Agent or Principal is bound.
3. Of the Authority of Agents to bind their Principals by Acceptances or Notes.
4. Agents and Bailees, their Duties as to Notes.
5. When a Note or Acceptance in the Partnership's Name will bind the Firm, —and of the Power of Partners to bind the Firm on Notes and Acceptances after a Dissolution of the Partnership.

1. *Of Notes given to Married Women.*

1. A note payable to a feme covert is legally payable to the husband. *Shuttleworth v. Noyes*, 8 Mass. 229.

2. A note and mortgage made to husband and wife during coverture go to the wife if she survives her husband, and not to the executor of the husband, unless given by way of voluntary gift from the husband to the wife. *Draper v. Jackson*, 16 Mass. 480.

3. A promissory note given to a feme covert for her separate use, for the consideration of her distributive share in an intestate estate, becomes immediately the property of the husband. *Commonwealth v. Manley*, 12 Pick. 173.

4. Where a husband lived in a different town from his wife, and in adultery with another woman, but occasionally visited his wife, and afterwards died insolvent, it was *held*, that his administrator was entitled to recover money received and promissory notes taken by the wife, previous to the death of the husband, in a trade carried on by the wife separately. *Russell v. Brooks*, 7 Pick. 65.

5. A married woman lent the interest accruing after her marriage, upon a note held by her before marriage, and the borrower gave her therefor a promissory note, which was made payable to her, in accordance with the wishes of her husband, in order that she might be the exclusive owner thereof; and the husband frequently declared, that the notes as well as the interest thereon were her separate property, and that he did not intend to claim or receive any part thereof to his own use; but he also stated to one whom he named his executor, that there was never any agreement made with the wife in relation to the money, either before or after marriage. After the husband's death, the borrower paid to the wife the amount due on his note, she having retained it in her custody. It was *held*, that she was entitled to retain the amount so paid, for her own use, as against the executors of the husband. *Phelps v. Phelps*, 20 Pick. 556.

2. *Of Notes given by Agents, and whether the Agent or Principal is bound.*

1. Where one gave a negotiable note as guardian of an insane person, he was held liable in his individual capacity, after his guardianship had been discharged. *Thacher v. Dinsmore*, 5 Mass. 299.

R\*

2. Where one gives a note as guardian, he is liable personally on it. *Foster v. Fuller*, 6 Mass. 58.

3. The rule that an attorney or agent, to bind his principal, must sign the name of the principal, applies only to instruments under seal: in the case of simple contracts, where it appears that the agent had authority to bind the principal, the principal will be bound if the intention of the agent to act for the principal, and not to bind himself alone, can be ascertained. *New Eng. M. Ins. Co. v. De Wolf*, 8 Pick. 56.

4. Where J. C., who was duly authorized by J. D. to guarantee two notes, wrote on one, "By authority from J. D., I hereby guarantee the payment of this note," and on the other, "By authority from J. D. in a letter dated —, I hereby guarantee his payment of the premium on policy No. —" (for which the note was given), it was *held*, that J. D. was bound as guarantor, and not J. C. *Ibid.*

5. Where one subscribes a promissory note, and adds to his signature the words, "agent for B." he is not liable as on his own promise. And if he acted without authority from B. he is liable in a special action on the case. *Ballou v. Talbot*, 16 Mass. 461.

6. Where a promissory note was signed, "Pro W. G. — J. S. C." it was *holden* to be the promise of W. G. if J. S. C. had authority to make it; if he had not, he would be liable to the promisee in a special action on the case. *Long v. Colburn*, 11 Mass. 97.

7. In an action against A. B. on a note made by him, as follows: "I, the subscriber, treasurer of the D. Turnpike Co.," &c., and signed, "A. B., Treasurer, &c.," — it was *held*, that he was not personally liable. *Mann v. Chandler*, 9 Mass. 335.

8. A draft by the agent of a manufacturing company payable to "G. S., Treasurer" thereof, is payable to him personally, though described as treasurer, and not merely as treasurer for the time being, and may be indorsed by him, as treasurer, either in person or by attorney. *Shaw v. Stone*, 1 Cush. 228.

9. An action was brought against G. upon the following note: "For value received, we *jointly and severally* promise to pay R., him or his order, the sum of \$100, borrowed money, on demand, with interest. P. & J. for G." It was *held*, that this must be considered as the promise of G. and binding on him. *Rice v. Grove*, 22 Pick. 158.

10. Where an agent drew a bill on a house in which his principal was a partner, and in the bill ordered the amount thereof, when paid, to be delivered to his principal, he was *held* personally liable to the payees, although they had been informed that the bills were drawn by virtue of the agency. *Mayhew v. Prince*, 11 Mass. 54.

11. A, who was authorized, as agent, by the owners of a whale ship, to fit her for sea, and purchase supplies for her voyage, bought the supplies of B. B drew a bill of exchange for the amount of the supplies, payable to his own order, and addressed "to the agent and owners" of the ship. A accepted the bill, by writing his name thereon, without any addition indicating his agency. *Held*, in a suit by the indorser of the bill against the owners of the ship as acceptors, that, even admitting the authority of A to bind them by accepting for them as their agent, yet he



had not bound them by the acceptance as made, and that he alone was liable as acceptor. *Faber v. Cannon*, 8 Met. 456.

12. An insurance company, on the application of S., who was C.'s agent, caused "S. for C. to be assured on ship G.," and S. gave the company a promissory note for the premium, signed by S. alone, without mentioning his agency, and charged the premium in account with C. and had it allowed; S. was afterwards declared bankrupt, and the company proved their note as a claim against him, and received a dividend upon it. *Held*, that the company could not maintain an action against C. to recover the balance of the note. *Bedford Commercial Ins. Co. v. Covell*, 8 Met. 442.

13. An agent, who exceeds his authority as such, in signing a note which purports to express the promise of his principal, is not personally liable in an action on the note. *Jefts v. York*, 4 Cush. 371; *Long v. Colburn*, 11 Mass. 97; *Ballou v. Talbot*, 16 Mass. 461.

14. A note in this form, "We, the subscribers, trustees for the proprietors of a new meeting-house," &c., signed by the makers, without addition to their names, binds the signers, and not the proprietors of the house. *Packard v. Nye*, 2 Met. 47.

15. The Boston Glass Company, having borrowed \$3,500 of the plaintiffs, gave them a note signed by K. as treasurer of the corporation, and indorsed by H. and G. as sureties. This note was afterwards given up, and the following note given for the same consideration: "For value received, we, the subscribers, jointly and severally, promise to pay the plaintiffs or order, for the Boston Glass Manuf., \$3,500, on demand, with interest. Thirty days' notice shall be given before payment of this note, by either side." This note was signed by H., G., and K., without annexing to their names any words designating that they acted as agents or on the part of the corporation; but it was entered on the books of the corporation as a note due from the corporation, and the corporation paid the interest thereon annually. *Held*, that it was the note of the individuals, and not of the corporation. *Bradlee v. Boston Glass Co.*, 16 Pick. 347.

### 3. Of the Authority of Agents to bind their Principals by Acceptances or Notes.

1. Although the general agent of a trading company, being himself one of the company, may have authority, either as agent or managing partner, to bind the company by a promissory note, yet a sub-agent appointed by him would not have such authority. *Emerson v. Providence Hat Manuf. Co.*, 12 Mass. 237.

2. An agent of an incorporated company cannot, without an express authority by a vote of the company, bind it by a note given for the debt of an unincorporated company, to whose business the corporation had succeeded. *White v. Westport C. M. Co.*, 1 Pick. 215.

3. In assumpsit on a promissory note for \$206.50, payable in iron castings, which was signed with the names of the defendants, "per B. W. P.," it appeared that P. was in the employment of the defendants, who were engaged in the manufacture of iron; that he was ordered by A., the general agent of the defendants, to ascertain how much had been

paid on a previous note of the defendants to the plaintiff payable in iron castings, and give a new note in the same terms for the balance ; that P. accordingly ascertained, as nearly as he could, what balance remained unpaid, and then gave the note in suit for the balance, and took from the plaintiff the original note, and also a receipt, which stated, that the new note, when paid, should be in full of all demands ; that P. delivered these papers to A., who said the words " when paid " in the receipt should have been left out, but made no other objection to the transaction, and put the papers on file. It was *held*, that A. could not legally delegate an authority to P. to bind the defendants by a note executed by him as their agent under such circumstances, and that the defendants, therefore, were not liable on the note. *Brewster v. Hobart*, 15 Pick. 302.

4. The rectors, wardens, and vestry of the Episcopal Church in D. were, by Stat. 1793, c. 58, invested with certain corporate powers, but the proprietors of pews were left without any powers except as a voluntary society. In 1799 the rector and wardens alone, pursuant to a vote of the proprietors, borrowed money for the use of the proprietors, and subscribed a promissory note for it, and the proprietors' agents paid the interest at different times. The Stat. 1818, c. 27, incorporated certain persons and the proprietors of pews by the same name, and repealed the former act. The new corporation authorized the wardens and vestry to receive and make payment of all debts in favor of or against the church, which accrued under the former act. *Held*, that the new corporation were liable upon the money counts, if not upon the note itself. *Episcopal Charitable Soc. v. Dedham Episcopal Church*, 1 Pick. 371.

5. Certain persons were incorporated for the purpose of erecting a monument and a suitable building for their meetings, and were empowered to make by-laws for the regulation of the society, and to choose such officers as they should think expedient ; and their by-laws provided for the election of a treasurer and trustees, and required the trustees to manage the finances and property of the society, and to exhibit the state of the treasury annually. The society voted that the trustees proceed in appropriating the funds of the society in erecting a suitable edifice, and the trustees thereupon entered into a contract for that purpose, and when they had exhausted all the funds of the society there remained a debt for which they were personally liable. In their annual exhibit they reported this debt as due from the society, and the report was accepted by the society and ordered to be recorded. *Held*, that the trustees, in virtue of their authority to manage the finances and property of the society, had power to bind the society by a promissory note, through the agency of their treasurer, or by such other obligations as are ordinarily resorted to in managing the finances of such institutions. *Held*, also, that the trustees might lawfully change the liability of the society, by creating one debt to pay another, whenever, in their opinion, it became necessary or expedient. *Hayward v. Pilgrim Society*, 21 Pick. 270.

6. The trustees having voted that the treasurer should give a note to one of their number, who had paid a debt due from the society, without limiting the time in which the authority was to be exercised, it was *held*, that he might make the note several years afterwards, the claim not being barred by lapse of time. *Ibid*.

7. Where the agent of a manufacturing corporation was authorized, by a vote of the directors, to raise money for his own use, upon the credit of the company, and to give therefor a "company note," it was *held*, that the directors had not exceeded their authority derived from the general statutes regulating manufacturing corporations. *Tripp v. Swanzev Manufacturing Co.*, 13 Pick. 291.

8. *Held* also, that the terms "company note" were not used in the vote to designate a technical promissory note, and that a bill of exchange drawn by the agent in the name of the company, upon drawees in whose hands the agent knew there were no funds of the company, upon the dishonor of which bill the company could not be liable for any damages, beyond the amount of the bill, was a company note within the meaning of the vote. *Ibid.*

9. The agent of a manufacturing company was empowered by its by-laws to manage the affairs of the corporation committed to his charge, and to exercise the powers committed to him according to his best ability and discretion, and promptly to collect all assessments and other sums that should become due to the corporation, and to disburse them according to the order of the board of directors, who were made a board of control over him. *Held*, that the agent, if the board of directors did not interfere to control his proceedings, had power to employ workmen to carry on the business of the corporation, and to pay them with its funds, or, not being in funds, to give the notes of the corporation in payment. *Bates v. Keith Iron Co.*, 7 Met. 224.

10. Where a company was formed for the purpose of purchasing timber land in Maine, and getting the lumber therefrom and selling it, and officers were appointed to take the general management of the concerns of the company, with power to appoint agents to transact its business, it was *held*, that an agent, appointed by such officers, had authority to give a negotiable note of the company in payment for services of laborers employed by him in getting out lumber, and that the members of the company, as partners, were liable to an action by the indorsee of such note. *Tappan v. Bailey*, 4 Met. 529.

11. Where a corporation appointed an agent to take charge of its interest in a tract of land mortgaged to it, and such agent was authorized by the treasurer of the corporation to advance a sum of money to the mortgager, to enable him to pay a tax laid for the purpose of constructing a highway through the land, but the agent, instead of advancing the money, gave a note for the amount of the tax in the name of the corporation, it was *held*, that the corporation was not liable to an indorsee of such note upon the note itself, nor in an action for money had and received. *Webber v. Williams College*, 23 Pick. 302.

12. A parish treasurer who has accepted a draft on him, drawn by the standing committee, payable to A or order, has no authority to bind the parish by accepting A's draft on him in favor of a third person, for part of the amount of the first draft, though the amount of the second draft is indorsed on the first, as part payment thereof. *Packard v. Universalist Society in Quincy*, 10 Met. 427.

13. An agent employed in the manufacture of carriages has no au-

thority, by implication from the nature of the business, to bind his principal by a negotiable promissory note given for labor or materials. *Paige v. Stone*, 10 Met. 160.

14. *It seems* that an agent who is employed by the owners of a whale-ship to fit her for sea, and purchase the necessary supplies for her voyage, cannot bind the owners by making a negotiable note, or accepting a bill of exchange, in their name, as agent, in payment for such supplies. *Taber v. Cannon*, 8 Met. 456.

15. A and B, joint owners of part of a vessel, authorized C, another owner, to purchase their proportion of the outfits of the vessel, but did not furnish him with funds; C purchased the outfits on a credit of six months, and gave a note therefor as agent of A and B, payable in six months. A and B, not knowing that C had purchased on credit, paid him the amount of the purchase, in two months after it was made. C did not pay the note at maturity, and the vendor of the outfits sued A and B therefor, in an action for goods sold and delivered. *Held*, that he was entitled to recover. *Sprague v. Gillett*, 9 Met. 91.

16. The relation between the master of a vessel and his owners is not such that they thereby become liable as acceptors of a bill of exchange drawn on them by him in a foreign port, for supplies furnished to the vessel. *Bower v. Stoddard*, 10 Met. 375.

17. A usage among the owners of vessels at particular ports to pay bills drawn by masters for supplies furnished to their vessels in foreign ports, cannot bind them as acceptors of such bills. *Ibid*.

18. A neutral hires and loads a ship for a voyage, in the course of which she is captured on a suspicion, unfounded in fact, of having enemies' property on board: the ship is carried into port and libelled as prize, but before further proceedings are had, a compromise takes place between the captors and hirer, who is owner of the cargo, on which the hirer, for the release of the vessel and cargo, draws a bill of exchange, which the master, who was appointed by the owners of the ship, indorses. In consideration of this, the vessel and cargo are released, and arrive in safety. *It was held*, that the owners of the ship were not liable to the hirer on account of the bill of exchange until payment thereof; but after payment they would be liable as for an average on the value of vessel and cargo at the time when and place where the bill was drawn. *Douglas v. Moody*, 9 Mass. 548.

19. Where an agent lent money of his principal, G., and took a promissory note therefor, nineteen months after G. had sailed for the West Indies, or elsewhere and a market, and G. had not been heard from since, it was *held*, that the note was binding on the promisor, and that G.'s death before the note was given could not be presumed. *Newman v. Jenkins*, 10 Pick. 515.

20. But letters of administration having been granted on the estate of G., the payee, in three years after he had sailed, and the administrator having brought a suit upon the note, and no plea in abatement having been filed, the grant of administration was held to be conclusive evidence, in such action, of the death of the promisee. *Ibid*.

#### 4. Agents and Bailees, their Duties as to Notes.

1. Where a promissory note was delivered to a bailee on his voluntary undertaking, without reward, "to secure and take care of it," it was *held*, that he was not bound to take any active measures to obtain security, but was simply bound to keep the note carefully and securely, and receive the money due thereon, when offered; and that the owner could not recover of him for the loss thereof, without proof of fraud or gross negligence. *Whitney v. Lee*, 8 Met. 91.

2. The holder of a post note, which was issued by a bank that failed before the note fell due, sent it to another bank for collection, and this bank caused payment to be demanded, and notice of non-payment to be given to the indorsers, on the day the note was due, without grace, whereby the indorsers were discharged, on the ground that by law the promisors were entitled to grace on the note, although they had, while solvent, paid such notes without grace. The holder thereupon brought an action against the collecting bank to recover damages for negligence in not making such demand and giving such notice as would hold the indorsers. It appeared, on the trial, that, at the time when the note fell due, the question whether banks were entitled to grace on their post notes had never been decided, and that there was no uniform practice as to demanding payment of such notes and giving notice to the indorsers, after the promisors failed. *Held*, that the action could not be maintained. *Mechanics' Bank v. Merchants' Bank*, 6 Met. 13.

3. Where the indorser of a note is discharged by want of due demand on the maker, or of notice of the default of the maker, the legal presumption is, that he will avail himself of such discharge; and the holder, therefore, is not bound to prosecute a fruitless suit against the indorser before he can maintain an action against his own agent for neglecting to make due demand on the maker, or to give due notice of his default. *Ibid*.

#### 5. When a Note or Acceptance in the Partnership's Name will bind the Firm,—and of the Power of Partners to bind the Firm on Notes and Acceptances after a Dissolution of the Partnership.

1. The rule that a promissory note given in a partnership's name shall, in the hands of an innocent holder, be considered, *primâ facie*, as having issued for the partnership account, is limited to cases where the signature, or other circumstances, indicate a partnership concern. *Manufacturers' Bank v. Winship*, 5 Pick. 11.

2. Where a partnership was carried on in the name of an individual, it was *held*, that a note in common form, signed by such individual, did not *primâ facie* bind his copartners. *Ibid*.

3. W. and B. were partners in the manufacture of soap and candles, doing business in the name of W., who was the acting partner. W. made large purchases for the use of the firm, and had for years before exported large quantities of soap and candles to foreign markets for sale, and received in return produce of foreign growth, which B. sold as a commission merchant and accounted for the proceeds to W., who cred-

ited them to the firm. On one occasion W. shipped to a foreign port all the soap and candles on hand, and for this purpose chartered two vessels, and in order to complete their cargo, he purchased pork and flour, for which he gave a note signed in his own name. In an action upon this note against the partners, W. and B., the jury were instructed, that *primâ facie* the purchase of the provisions did not come within the general scope of the partnership business, and that, unless the purchases were made on behalf of the firm and within the general scope of the partnership business, the note would not bind B. But if the jury should find that the purchase of the provisions was within the general scope of the partnership business, and that W. acted in this matter *bonâ fide*, and in the exercise of a reasonable discretion, and that he chartered the schooners on account of the firm, and for their use and benefit, to export the manufactures of the firm to a favorable market, and that the purchase of the provisions was also made in behalf of the firm and to promote the principal object, that then the note would bind the firm. And that if B. had knowledge of the proceedings of W., and that the provisions were purchased for the use of the firm, and made no objection, this would be a ratification of the transaction, and would render B. liable to pay the note, though he might not have known that the purchase had been made on credit. *Held*, that these instructions were correct. *Woodward v. Winship*, 12 Pick. 430.

4. One partner cannot, by his individual act, bind the firm as the guarantor of the debt of another, or as a party to a note or bill made for the accommodation, or as the surety of another, without authority specially given him for the purpose, or implied from the common course of business of the firm, or from the previous course of dealing between the parties; unless the act of such partner be afterwards ratified by the others. *Sweetser v. French*, 2 Cush. 310.

5. Where a note is given in the name of a firm by one of the partners, for the private debt of such partner, and known to be so by the person taking the note, the other partners are not bound by such note, unless they have been previously consulted and consented to the transaction. *Chazournes v. Edwards*, 3 Pick. 5.

6. Where money is lent to part of the members of a firm, who give a note for it in their own names only, the lender is not a creditor of the firm, although the borrowers apply the money towards payment of the debts of the firm. *Green v. Tanner*, 8 Met. 411.

7. Two partners having given a promissory note on partnership account, signed with their individual names, to a person to whom the existence of the partnership was known, who indorsed and transferred the note, without informing the indorsee of the partnership; and one of the partners afterwards went into insolvency, but without any property of the firm being assigned to his assignee; it was *held*, upon proof of the partnership, that the note was a partnership note, provable as such against the insolvent, by the indorsee, who would be entitled to a dividend thereon, out of any surplus remaining after paying the separate debts of the insolvent. *Agawam Bank v. Morris*, 4 Cush. 99.

8. Under an authority, though by parol only, given to one partner

by the others, after a dissolution of the partnership, to sell a negotiable note made to the firm before dissolution, he may indorse such note, "without recourse," in the name of the firm. *Yale v. Eames*, 1 Met. 486.

9. Where the individual note of a partner, payable to the firm, of which he was a member, remained in the possession of the firm until it was long over-due, it was *held*, that another partner, although authorized to settle the concerns of the firm, could not after its dissolution negotiate the note in the partnership's name. *Parker v. Macomber*, 18 Pick. 505.

10. Where the individual note of a partner, made after the dissolution of the partnership, payable to a stranger, was indorsed by the payee in blank without recourse, and transferred, in part payment of a debt due from himself to the partnership, to a partner authorized to settle the affairs of the firm, it was *held*, that he might legally transfer such note to a third person, it being payable to bearer. *Ibid.*

11. Where a partner having absconded, his copartner told the holder of a note against the firm, not then due, that they were going to fail, and renewed the note in the name of the firm, making it payable on demand, to enable the holder to secure himself, it was *held*, that this note did not bind the absconding partner, notice of the dissolution being either not necessary, or being implied by the transaction. *Whitman v. Leonard*, 3 Pick. 177.

12. After the dissolution of a partnership, one of the partners made a note, signed by himself, and purporting to be for the account of the partnership, on which the other partner afterwards made a partial payment; *held*, that this was a sufficient adoption by the other not to support an action upon the note against the two. *Eaton v. Taylor*, 10 Mass. 54.

13. B. H., after the dissolution of a partnership between himself and S. W., made a negotiable promissory note, in the name of the late firm of W. & H., payable to S. W. and S. F., as partners under the firm of W. & F., and after a dissolution of the last-named firm, and the death of S. W., S. F., in the name of W. & F., indorsed the note to himself: it was *held*, that S. F. could not maintain an action on the note as indorsee; but that as surviving promisee he was entitled to recover on the money counts, against B. H., either as surviving promisor, if the note had been subsequently ratified by S. W., or as the sole promisor, if it had not been so ratified. *Fowle v. Harrington*, 1 Cush. 146.

## THE LAW OF BILLS OF EXCHANGE.

*From the Law Journal.*

1. Under the Statute of Ohio, of March, 1850, which provides that "no person offered as a witness shall be excluded by reason of his or her interest in the event of the action; but this section shall not apply to a party to the action, nor to any party for whose immediate benefit such action is prosecuted or defended," &c. Directors and stockholders of a bank are competent witnesses for the corporation, in a suit to which it is a party.
2. Notice of dishonor of a bill or note, where the parties reside in different places or States, must be deposited in the post office in time for the mail of the next day, provided it be not made up and closed at an unreasonably early hour, or before early and convenient business hours. *Downs vs. Planters' Bank*, 1 Sm. & M., 261; *Chick vs. Pillsbury*, 24 Maine, 458, approved; *dicta* of Chancellor Kent, 3 Comm. 106; and of Judge Story, Comment. on Bills, § 291, overruled.
3. Where the mail from the place of protest of a bill, to the place of residence of the endorser, closed at ten minutes past nine, A. M., on the day subsequent to the protest, business hours beginning at seven o'clock, A. M., at the former place, it was held that notice of dishonor deposited in the post office after such closing of the mail, was too late.
4. The holder of a bill is only bound to give notice of dishonor to his immediate endorser; and so of an agent for collection.

The opinion of the court was delivered by BARTLEY, CH. J.—The original action was assumpsit for recovery against Lawson and Covode, as endorsers of a Bill of Exchange, which is as follows:

*Wellesville, April 25, 1848.*

\$4,000 00.

*Ninety days after date, pay to the order of Lawson & Covode, four thousand dollars, value received, and place the same to the account of*

*Yours, &c.,*

W. F. JORDAN.

*To J. Jordan & Son, Pittsburg.*

*Pay to Farmers' Bank of Salem.*

LAWSON & COVODE.

*Accepted by J. Jordan & Son.*

It appears that this Bill of Exchange, which was drawn and endorsed in this State, was discounted by the Bank of Salem, and the money paid to the acceptors thereof; subsequently it was endorsed by the Bank of Salem to the Exchange Bank of Pittsburg, in the State of Pennsylvania, for collection, Jordan & Son, the acceptors, living in the City of Pittsburg. It matured in the hands of the Exchange Bank of Pittsburg, on the 27th day of July, 1848, and being dishonored by the acceptors in Pittsburg, in the State of Pennsylvania, was protested for non-payment by Webb Closey, a Notary Public of that city.

On the trial of the cause in the Court of Common Pleas, the bank gave in evidence the Bill of Exchange, and the notarial protest attached thereto, dated July 27, 1848, also a certified copy of the Notarial Record of Webb Closey, with proof of his death since the protest of the bill. The defendants below objected to this last testimony, but the Court admitted it. During the trial the Bank called Joseph J. Brooks and John Dellenbough, as witnesses, both being stockholders and directors in the Salem Bank, not only at that time, but also when the bill was discounted



and matured. To the testimony of these two witnesses the defendants below objected, but the court overruled the objection, and admitted their testimony, which was material.

The bank having rested, the defendants in the court below gave in evidence the notice of protest, which appears in the record sent to the Salem Bank by Notary Closey, and produced by the Cashier of the Salem Bank. And evidence having been given that the Exchange Bank of Pittsburg closed at three o'clock, P. M., on the 27th of July, 1848, that Notary Closey's office was about one square from the Pittsburg Post Office, that the mail left Pittsburg for Salem at ten o'clock, A. M., on the 28th of July, and was closed at ten minutes after nine o'clock, A. M., and that the business hours of Pittsburg were from seven o'clock, A. M., till dusk, the parties rested the case. The notarial protest does not state when the notices were deposited in the post office, but the notice to the Salem Bank, which enveloped the notice to Lawson & Covode, the accommodation endorsers, is mail-marked at the Pittsburg Post Office, July 29, 1848.\*

Judgment was rendered against the defendants in the Court of Common Pleas, at the September Term, 1850, for the sum of \$4,513 83. And it is to reverse this judgment that this writ of error is brought.

Did the Court of Common Pleas err in charging the jury, that if the notice to the endorsers, of the demand and non-payment of the bill, was deposited in the Post Office at Pittsburg, at any time during the day after the day of dishonor, without regard to the time of the departure of the mail for that day, it would be sufficient notice; and moreover, that if it was found inconvenient to deposit the notice in the Post Office in time for the mail of that day, it was in proper time if the notice was deposited in time to be sent off by the next mail of the day next after the day following the day of the dishonor of the bill.

This involves a very important question of the Law Merchant, and it is not a little surprising that there should remain any doubt or uncertainty at this late day, upon a question of such vital importance to the interests of commercial countries respecting the duties and liabilities of holders and parties to dishonored paper. And it is a matter of no small moment, that a question, which enters so largely as does this, into the every-day business transactions of different commercial states and countries, should be settled, not only upon a certain and unvarying, but also upon a uniform basis.

The liability of the endorser is strictly conditional—dependent both upon due demand of payment upon the maker or acceptor, and also due and legal notice of the non-payment. The purpose and object of such demand and notice, is to enable the endorser to look to his own interest, and take immediate measures for his indemnity. The demand and notice being conditions precedent to the endorser's liability, it is incum-

---

\* The charge of the Court is omitted here from want of space. It was to the effect that the Notary had the *whole* of the 28th in which to deposit the notice.—  
ED. L. REG.

bent on the holder to make clear and satisfactory proof of them before he can recover. The plaintiffs in error in this case, being accommodation endorsers, may well insist upon strict proof of due diligence in giving notice of the dishonor of the bill.

The law does not require the utmost diligence in the holder, in giving notice of the dishonor of a bill or note. All that is requisite, is ordinary or reasonable diligence. And this is not only the rule and requirement of the law merchant, but a statutory provision of this State. But what amounts to due diligence or reasonable notice is, when the facts are ascertained, purely a question of law, settled "with a view to practical convenience, and the usual course of business."

The question was at one time strenuously contested, whether due diligence did not require, that where the parties reside in the same place, the notice of non-payment would be insufficient, unless given on the day of the dishonor of the bill; and where the parties reside in different places, unless sent by the mail of that day, or first possible or practicable mail after the default. *Findal vs. Brown*, 1 Term. R. 167. *Darbishire vs. Parker*, 6 East, 3. *Marius on Bills*, 24. But the rule was established, and is supported by great weight of authority, that where parties reside in different places, and the post is the mode of conveyance adopted, although it was in no case necessary to send the notice by the post of the same day of the dishonor, or of the knowledge of the dishonor, the holder or other party being entitled to the whole of that day after the dishonor, or knowledge of the dishonor, to prepare his notice, yet that the notice would be insufficient unless put into the Post Office in time to go by the next mail after that day. And this is in conformity with the rule laid down by Mr. Chitty, in his learned treatise on Bills of Exchange, in the following explicit language: "When the parties do not reside in the same place, and the notice is to be sent by the general post, then the holder or party to give the notice must take care to forward notice by the post of the next day after the dishonor, or after he receives notice of such dishonor, whether that post sets off from the place where he is early or late; and if there be no post on such next day, then he must send off notice by the very next post that occurs after that day." Chitty on Bills, 485, (late edition.)

This is in accordance with the rule as settled by the Supreme Court of the United States. In *Lenox vs. Roberts*, 2 Wheaton, 373, Chief Justice Marshall says: "It is the opinion of the court that notice of the default of the maker should be put into the Post Office early enough to be sent by the mail of the day succeeding the last day of grace." And in the case of the *Bank of Alexandria vs. Swan*, 9 Peters, 33, Justice Thompson approved of the general rule laid down in the case of *Lenox vs. Roberts*, holding that notice of dishonor need not be forwarded on the last day of grace, but should be sent by the mail of the next day after the dishonor. The same rule was adopted by Justice Washington, in the case of *The United States vs. Parker's Adm'rs*, 4 Wash. R. 465, in which case that decision was affirmed on error by the Supreme Court, 12 Wheat. 559. The same rule received the sanction of Mr. Justice Story, in the case of the *Seventh Ward Bank vs. Hanrick*, 2 Story's R. 416. Although in

the case of *Mitchell vs. Degrand*, 1 Mason, 180, he appears to have been disposed to even greater strictness, holding that when a bill is once dishonored, the holder is bound to give notice by the next practicable mail, to the parties whom he means to charge for the default. This, however, is explained by Justice Washington, in the case of *U. S. vs. Parker's Adm'rs*, to mean that the notice should be put into the office in time to be sent by the mail of the succeeding day. This rule, adopted by the Supreme Court of the United States, which is supported by the great weight of authority in England, and in the several States of the Union, in which the question appears to have been settled by reported adjudications, is subject to some qualification relaxing its rigor. If two mails leave the same day on the route to the place of the residence of the endorser, it is sufficient to deposit the notice in the Post Office in time to go by either mail of that day, inasmuch as the fractions of the day are not counted. *Whitewell vs. Johnson*, 17 Mass. R. 449, 454. *Howard vs. Ives*, 1 Hill N. Y. R. 263.

And for the reason that the mail of the day succeeding the day of the default, may go out in some places soon after midnight, or at a very early hour in the morning, and is sometimes made up and closed the evening preceding, it has been adjudged that inasmuch as the holder is allowed till the day after the day of the default to send off the notice, reasonable diligence would not require him to deposit the notice in the Post Office at an unseasonably early hour, or before a reasonable time can be had for depositing the notice in the Post Office after early business hours of that day. The rule as qualified and settled by the late authorities, and which I take to be the correct one, is, that where the parties reside in the same place or city, the notice *may* be given on the day of the default, but if given at any time before the expiration of the day thereafter, it will be sufficient; and when the parties reside in different places or States, the notice *may* be sent by the mail of the day of the default, but if not, it *must* be deposited in the office in time for the mail of the next day, provided the mail of that day be not made up and closed at an unseasonably early hour. If, however, the mail of that day be closed before a convenient or reasonable time after early business hours, or if there be no mail sent out on that day, then it must be deposited in time for the next possible post. In the case of *Downs vs. Planters' Bank*, 1 Smedes & Marshall's R. 261, and also the case of *Chick vs. Pillsbury*, 24 Maine R. 458, the doctrine on this subject has been more fully examined than perhaps in any of the older cases, and the rule adopted is, that the notice, in order to charge the endorser living in another place or State, *must* be deposited in the Post Office in time to be sent by the mail of the day succeeding the day of the dishonor, providing, the mail of that day be not closed at an unseasonably early hour, or before early and convenient business hours. And this I take to be the correct rule. *Fullerton et al. vs. The Bank of the U. S.* 1 Peters, 605, 618; *Eagle Bank vs. Chapin*, 3 Pick. 180, 183; *Talbot vs. Clark*, 8 Pick. 51; *Carter vs. Burly*, 9 New Hamp. 559, 570; *Farmers' Bank of Maryland vs. Duvall*, 7 Gill & Johnson, 79; *Freeman's Bank vs. Perkins*, 18 Maine R. 292; *Mead vs. Engs*, 5 Cowen, 303; *Sewall vs. Russell*, 3

Wend. 276; *Brown vs. Ferguson*, 4 Leigh, 37; *Dodge vs. Bank of Kentucky*, 2 Marshall, 610; *Hickman vs. Ryan*, 5 Littell, 24; *Hartford Bank vs. Steedman*, 3 Connecticut R. 489; *Brenzor vs. Wightman*, 7 Watts & Serg. 264; *Townslly vs. Springer*, 1 Louisiana, 122; *Bank of Natchez vs. King*, 2 Robinson, 243; *Brown vs. Turner*, 1 Alabama R. 752; *Lockwood vs. Crawford*, 18 Conn, 363; Bayley on Bills, 262; Story on Promissory Notes, sec. 325; and Byles on Bills of Exchange, 160.

Some obscurity and uncertainty have been created on this subject by the expression used in some of the cases, and by some of the elementary writers, that the holder or person giving the notice has "one day," or "an entire day," in which to give the notice after the day of dishonor. The term *one day*, or *an entire day*, seems not to have been used always in the same sense; and the confusion appears to have in part arisen from the fact, that where the parties reside in the same place, notice at any time before the expiration of the day after the day of the default will be sufficient, while, where the parties reside in different places, the notice must frequently be mailed early in the day, to be in time for the mail of that day.

The defendant in error relies upon the doctrine laid down in the elementary works of Chancellor Kent and Mr. Justice Story, as fully sustaining the charge of the court below. Inasmuch as precision and certainty in the settlement of this rule are of very great importance, a careful examination of the subject seems to be required.

Chancellor Kent, whose accuracy in his Commentaries on American Law is never to be questioned without grave consideration, in the late editions of his works, (See Kent's Com. p. 106,) states the rule as follows:

"According to the modern doctrine, the notice must be given by the first direct and regular conveyance. This means the first mail that goes after the day next to the third day of grace; so that if the third day of grace be on Thursday, and the drawer or endorser reside out of town, the notice may indeed be sent on Thursday, but must be put in the Post Office or mailed on Friday, so as to be forwarded as soon as possible thereafter." And in a note by the learned author, explanatory of the text, it is said that "the principle that ordinary reasonable diligence is sufficient, and that the law does not regard the fractions of the day in sending notice, will sustain the rule as it is now generally and best understood in England and the commercial part of the United States, that notice put into the Post Office on the next day, at any time of the day, so as to be ready for the first mail that goes thereafter, is due notice, though it may not be mailed in season to go by the mail of the day next after the day of the default."

Several cases are cited by the learned author, but they do not sustain his position. The case of *Jackson vs. Richards*, 2 Caines Cases, 343, referred to, is not in point. *Haynes vs. Birks*, 3 Bos. and Pull. 601, decides, that when notes fell due on Saturday, the notice sent by the post on Monday was sufficient. Sunday being excluded, and not taken into account, the notice was sent by the post of the next legal day. In the

cases of *Bray vs. Hadwen*, 5 Maule & Selwyn, 68, and *Wright vs. Shawcross*, 2 Barnwell & Aldersons, 501, it was decided, that the notice having arrived on Sunday, was to be considered as having been received on Monday, and then the party had till Tuesday, the next post day, for giving the notice. In *Gall vs. Jerenry*, 1 Moody & Malkin, 61, where no mail went out on the day next after the day of the default, it was held that the rule, being an impossible one on that day, a notice sent by the next succeeding mail day would be in season. The case of *Firth vs. Thrush*, 8 B. & C. 387, turned upon the question whether the attorney employed to ascertain the residence of the defendant, should be allowed a day to consult his client after information of the defendant's residence. And Lord Tenterden said: "if the letter (giving information of the defendant's residence) had been sent to the principal, he would have been bound to give notice on the next day." The only other case referred to, is that of *Hawkes vs. Salter*, 4 Bing. 715; and this is the only one which even tends to sustain the position of the learned author. In that case, the bill was dishonored on Saturday, and the mail left at half past nine o'clock on Monday morning; and an unsuccessful attempt was made to prove that the notice was put into the Post Office on Tuesday morning. Best, C. J., expressed himself clearly of opinion "that it would have been sufficient, if the letter had been put into the Post Office before the mail started on Tuesday morning, but that there was no sufficient evidence that it had been put in, even on Tuesday morning." The opinion in this case was, therefore, a mere dictum, which determined nothing, the case being decided upon different ground.

But the position of Chancellor Kent, above referred to, is in direct conflict with the rule as laid down by himself in the first edition of his work. In the edition of 1828, vol. 3, p. 73, Kent's Com., the rule is stated in these words: "According to the modern doctrine, the notice must be given by the first direct regular conveyance. This means the first convenient and practicable mail that goes on the day next to the third day of grace; so that if the third day of grace be on Thursday, and the drawer or endorser reside out of town, the notice may indeed be sent on Thursday, but must be sent by the mail that goes on Friday."

In the last edition of this work, published in 1851, the editor, William Kent, admits the weight of authority to be in favor of the rule as laid down in *Chick vs. Pillsbury*, 24 Maine, and *Downs vs. Planters' Bank*, 1 Smedes & Marshall, above referred to; and he says, that "the opinion of Ch. J. Best, in 4 Bing. 715, is the only one that sustains the rule suggested, and that the observations of Mr. Justice Story were too latitudinarian in allowing the entire whole day next after the dishonor."

It is true, that Mr. Justice Story, in his work on Bills of Exchange, Sec. 291, says: "that an endorser need not give notice to his antecedent endorser, till twenty-four hours have elapsed after the receipt of his own notice of the dishonor."

And in his note to Sec. 290 of the same work, the author says: that "the rule does not appear to be so strict as it is laid down by Mr. Chitty,

and that it would be more correct to say, that the holder is entitled to one whole day to prepare his notice, and that, therefore, it will be sufficient if he sends it by the next post that goes after twenty-four hours from the time of the dishonor," &c. And he adds: "I have seen no late cases which import a different doctrine. On the contrary, they appear to me to sustain it; but as I do not know of any direct authority which positively so decides, this remark is merely propounded for the consideration of the learned reader."

It is not necessary here to inquire whether the position taken by the learned author is in conflict with the decisions made by himself in 1 Mason's R. 180, and 2 Story's R. 416, above referred to. In his same work on Bills of Exchange, he has stated the rule with great precision and accuracy in the following language, in Sec. 332: "In all cases where notice is required to be given, it is sufficient, if the notice is personal, that it is given on the day succeeding the day of the dishonor, early enough for the party to receive it on that day. If sent by the mail, it is sufficient if it is sent by the mail of the next day, or the next practicable mail." And in Sec. 288: "If the post or mail leaves the next day after the dishonor, the notice should be sent by that post or mail, if the time of its closing or departure is not at too early an hour to disable the holder from a reasonable performance of the duty. So that the rule may be fairly stated in more general terms to be, that the notice is in all cases to be sent by the next practicable post or mail after the day of the dishonor, having a due reference to all the circumstances of the case." The same learned author has laid down the rule very fully to the same effect, in his work on Promissory Notes. (See Story on Promissory Notes, Sec. 324.)

The statement of the rule by the learned Commentator, in the last extract, is consistent with the doctrine established by the Supreme Court of the United States, and fully sustained by authority.

The discrepancies which have arisen on this subject appear to have grown out of an inaccurate use in some of the books and decisions of the terms "his day," "an entire day," and a "whole day," &c. These phrases being at one time understood or taken literally, and at another time to mean a space of time equal to a full day. If these phrases are to be taken to mean the duration of a full day, instead of the day itself, in their general application, the effect would be to change and break down numerous well settled and useful rules. The law, as a general thing, does not have regard to the fractions of a day, and thus compel parties to resort to nice questions of the sufficiency of a certain number of hours, or minutes, and to the taking of the parts of two different days to make up what may be considered in one sense a day, because equal in duration to one entire day. If this were the case, the endorser, after having been notified, would often be unable to determine whether he had been notified in season or not, until he had learned the hour of the day when the default occurred: and the holder would have it in his power at times, of affecting injuriously the right of the endorser to an early notice, by delaying the presentment until a late hour in the day. Nothing more could have been intended by the use of these phrases than

that each party should have a specified day upon which the act enjoined upon him should be performed. This is the sense in which Lord Ellenborough used it in the case of *Smith vs. Mullett*, 2 Camp. 208, when he said, "if a party has an entire day, he must send off his letter conveying the notice, within post time of that day." And it is said by a learned elementary author, "if a party has an entire day, he must send off his letter conveying the notice of the dishonor of the bill within post time of that day." Byles on Bills, 161.

The rule laid down in Smith's Compendium of Mercantile Law, to which the defendant in error has referred, will not, as I apprehend, be found on close examination to be at variance with the doctrine adopted in this case. Smith's Mercantile Law, 310.

It is claimed on behalf of the plaintiff in error, that the notice of the dishonor of the bill should have been sent immediately to them, instead of being sent, as it was in the first place, to the Bank of Salem. The holder is not bound to give notice of the dishonor to any more than his immediate endorser. And each party to a bill has the same time after notice to himself, for giving notice to other parties beyond him, that was allowed to the holder after the default. *Sheldon vs. Benham*, 4 Hill N. Y. 129, 133; *Eagle Bank vs. Hathaway*, 5 Metcalf, 213. And when a bill is sent to an agent for collection, the agent is required simply to give notice of the dishonor in due time to his principal; and the principal then has the same time for giving notice to the endorsers after such notice from his agent, as if he had been himself an endorser receiving notice from a holder. *Bank of the United States vs. Davis*, 2 Hill's N. Y. R. 452. *Church vs. Barlow*, 9 Pick. 547. The party in this case, therefore, was not at fault by sending the notice directly to the Bank of Salem, leaving that bank to send the notice to the plaintiffs in error.

Applying the rule, therefore, which we have adopted as the correct one in this case, it was incumbent on the plaintiffs below, in order to be entitled to a recovery, to show that the notice of the dishonor of the bill was deposited in the Post Office at Pittsburg in time to be sent by the mail of the 28th day of July. Ten minutes past nine o'clock in the morning was not an unseasonably early hour, or before a reasonable and convenient time after the commencement of early business hours of the day. The neglect, therefore, to send the notice by the mail of the next day after the day of the default, operated to discharge the plaintiffs in error as endorsers, unless from some other cause notice had been dispensed with, or rendered unnecessary. And for the charge of the Court of Common Pleas to the jury to the contrary, the judgment is reversed, and the cause remanded for further proceedings.

## BANK STATISTICS.

## WISCONSIN.

*Official Statement of the Condition of the Wisconsin Banks, July 4, 1853.*

RESOURCES.	Loans and Discounts, except to Directors and Brokers.	Due from Directors of this Bank.	Due from Brokers.	Over Drafts.	Stocks.	Promissory Notes other than for Loans and Discounts.	Specie.
The State Bank, Madison, . . . .	\$42,187	. . .	\$11,588	. . .	\$51,300	. . .	\$14,201
Wis. Marine & Fire Ins. Co., Milwaukee, . . . .	340,863	. . .	8,000	2,546	50,000	. . .	105,730
Bank of Racine, at Racine, . . . .	84,806	2,069	33,113	1,061	53,184	. . .	7,845
Rock River Bank, Beloit, . . . .	5,958	19	1,265	8	25,000	. . .	4,828
City Bank of Kenosha, at Kenosha, . . . .	40,993	4,000	6,509	. . .	27,500	. . .	5,419
State Bank of Wisconsin, Milwaukee, . . . .	71,536	10,534	1,896	190	112,000	. . .	21,334
Wisconsin Bank, Mineral Point, . . . .	24,497	. . .	. . .	. . .	25,000	. . .	2,503
Farmers and Millers' Bank, Milwaukee, . . . .	26,411	11,600	10,141	. . .	55,022	10,000	13,122
<b>Total, . . . .</b>	<b>636,758</b>	<b>23,223</b>	<b>72,515</b>	<b>3,802</b>	<b>398,957</b>	<b>10,000</b>	<b>174,956</b>

RESOURCES.	Cash Items.	Real Estate.	Loss and Expense Account.	Bills of Solvent Banks on hand.	Bills of Suspended Banks.	Due from Banks.	Total Resources.
The State Bank, Madison, . . . .	. . .	. . .	\$1,551	\$7,390	. . .	\$22,469	\$150,688
Wis. Marine & Fire Ins. Co., Milwaukee, . . . .	4,835	8,005	511	55,642	391	109,358	685,883
Bank of Racine, at Racine, . . . .	3,720	. . .	2,079	15,772	. . .	2,153	205,253
Rock River Bank, Beloit, . . . .	. . .	. . .	2,296	2,675	20	81	42,143
City Bank of Kenosha, at Kenosha, . . . .	. . .	. . .	450	14,803	. . .	18,214	117,894
State Bank of Wisconsin, Milwaukee, . . . .	1,939	. . .	4,349	17,621	. . .	39,333	280,741
Wisconsin Bank, Mineral Point, . . . .	25,003	. . .	647	5,963	. . .	. . .	83,614
Farmers and Millers' Bank, Milwaukee, . . . .	7,082	. . .	1,438	3,060	. . .	6,460	144,339
<b>Total, . . . .</b>	<b>42,531</b>	<b>8,005</b>	<b>13,373</b>	<b>122,926</b>	<b>411</b>	<b>198,076</b>	<b>1,710,563</b>

LIABILITIES.	Capital.	Registered Notes in Circulation.	Due to the Treasurer of State.	Due to Depositors on Demand.	Due to Others not included under either of the above Heads.	Total Liabilities.
The State Bank, Madison, . . . .	\$50,000	\$48,197	. . .	\$35,390	\$17,101	\$150,688
Wis. Marine & Fire Ins. Co., Milwaukee, . . . .	100,000	40,998	. . .	143,200	396,684	685,883
Bank of Racine, at Racine, . . . .	50,000	33,136	. . .	49,796	72,326	205,253
Rock River Bank, Beloit, . . . .	. . .	25,000	295	3,486	13,365	42,143
City Bank of Kenosha, at Kenosha, . . . .	30,000	24,997	. . .	60,093	2,804	117,894
State Bank of Wisconsin, Milwaukee, . . . .	150,000	70,596	. . .	38,413	21,781	280,741
Wisconsin Bank, Mineral Point, . . . .	50,000	20,863	. . .	12,751	. . .	83,614
Farmers and Millers' Bank, Milwaukee, . . . .	50,000	37,961	. . .	49,069	7,393	144,339
<b>Total, . . . .</b>	<b>430,000</b>	<b>301,743</b>	<b>295</b>	<b>397,201</b>	<b>531,323</b>	<b>1,710,563</b>



## FOREIGN ITEMS.

**FRENCH FINANCES AND THE CHURCH.**—The French government appropriates considerable sums every year for the purpose of ornamenting the public churches with valuable paintings illustrative of sacred subjects. M. Conture is now occupied on the walls of St. Eustache, where he has an order to the amount of 50,000*f*. Similar works have recently been executed in the church of St. Vincent de Paul, which has just been completed and uncovered for public inspection. The frieze, painted by M. Flandrin, represents on the left a procession composed of apostles, prophets, martyrs and saints, and on the right, groups of holy women. In the demicupola of the choir, painted by M. Picot, is a colossal figure of the Saviour, in a sitting posture, with angels on the right and left. At his feet is St. Vincent de Paul on his knees, surrounded by a number of children whom he has saved from death. There are also painted on the frieze several scenes in the life of the Virgin and of Jesus Christ.

**GOLD AND SILVER MINES IN NEW MEXICO.**—The San Antonio Ledger has a letter, dated Las Cruces, New Mexico, June 19, 1853, from which we make the following extract, containing interesting information about the mineral productions of that Territory:

Until the present time, our mineral wealth has been hidden in the bowels of the neighboring mountains, unsought for and untouched by human ingenuity. Yet, the fact of its existence was known to every inhabitant of the country: for the immense regular strata which course the slopes of all our ranges, render this wealth not only visible but tangible. A few months since, Mr. Hugh Stevenson, a wealthy and energetic man from El Paso County, sent out some experienced hunters to search for mines. After ineffectually searching several months, they at last discovered a rich vein, upon which Mr. S. immediately began work upon a small scale, until the value of the ore was tested; but being found of a quality superior to many of the most noted mines of Mexico, operations have been commenced commensurate to the value of the metal; and now we find rising in our midst the stately proportions of an immense mining hacienda, with all its machinery, paraphernalia and busy life.

Stimulated by the operations of Mr. Stevenson, other adventurers set out in quest of "Plata Blanca," and one party has been rewarded with merited and wonderful success. A Mexican mine hunter, by the name of Coulteras, about the last of May, discovered one of the richest mines of silver that any country has produced. The exhibition of the metal created a perfect furor in our community, for the oldest and most experienced men in this business have pronounced the yield to be three marks of silver and one-sixth of gold to the cargo of 300 lbs. The mine is situated in the Canon or La Cueva, among the Siena or Los Orgunos, about four leagues from this place, surrounded by immense quantities of timber at the base of the Canon, with two large springs of excellent water. A more eligible situation for mining operations cannot be found. This vein is now much wider than that worked by Stevenson, and the yield is said to be more abundant.

Many emigrants to California have stopped here, declaring that they want no better California than this, and are now employed by the owners in the excavation of the mine. It is said E. Hendree, Esq., of El Paso Co., and Don Pedro Aguirre, (our wealthiest citizen,) have purchased the whole of this splendid mine from the discoverer and others interested. Certain it is that they are both busily engaged in employing miners and in building furnaces, which is significant that they have heavy interests at stake.

**THE BANK OF FRANCE.**—The *Moniteur* publishes the result of the operations of the Bank of France for the first six months of the current year, which show a profit of 6,387,000*f*. Among the principal items composing the profits of the establishment, discounts reckon for 1,400,000*f*, rentes held by the bank, 1,800,000*f*.; advances on railway shares 812,000*f*, and on public securities 524,000*f*. The profits from different branch banks figure, in the general result, for 2,034,000*f*, after deducting the losses on two of them. It is on these results that the bank declared a dividend of 70*f*. per share for the six months.

**MR. HOBBS AND THE ENGLISH LOCKSMITHS.**—It is now pretty generally known, that until the year of the Great Exhibition nobody had succeeded in obtaining the "200 guineas" offered by Messrs. Bramah to any person who could pick their celebrated lock. This piece of mechanical ingenuity was at last performed by Mr. Hobbs, from America, who was not a lockmaker, but a lockpicker; since then the art of picking locks has become somewhat elevated, and has attracted the attention of several of our first-rate engineers. The Society of Arts, in John-street, Adelphi, desirous of promoting the skill of English locksmiths, issued a circular last year for premiums on various articles of manufactures, among which was one "for the invention of a good lock," combining strength, and great security from fraudulent attempts, cheapness, freedom from disarrangement by dirt, and requiring only a small key. The conditions upon which the prize of £10 was to be awarded, seem to be somewhat inconsistent with the object required; but nevertheless the offer commanded attention, and the successful competitor was Mr. Saxley, of Sheerness; and to him the prize was awarded by the committee, the chairman being Mr. Chubb, the lockmaker in St. Paul's churchyard. By a letter from Mr. Hobbs, which appears in the *Journal of the Society of Arts*, of the 24th of June, we find that Mr. Hobbs's curiosity, which was only equalled by his modesty in not competing for the prize, induced him to inspect this piece of mechanism which the committee, presided over by Mr. Chubb, had pronounced to be one most in accordance with the prescribed rules of the society; when, so far from its possessing that "great security" required, he discovered that it was constructed on the principle of the "Yale lock," such as are manufactured by Mr. Cotterill, of Birmingham; and to prove to the persons present that it possessed no "security," Mr. Hobbs, taking a small straight iron wire from his pocket, and a thin strip of steel, opened it in the presence of several members of the society in three minutes.—*London Bankers' Circular*.

**Life Insurance.**—If treated philosophically, the subject of life insurance is undoubtedly one of great interest. The system affords by far the best means which have yet been discovered of placing industry beyond the reach of casualties, and of removing those harassing cares and torturing anxieties regarding the future, which have so often the effect of embittering existence, and even paralyzing activity. If, by a regular annual payment out of his income a man has secured to his family, in the event of his death, whenever that may occur, an adequate provision, he has contributed most materially to *his own happiness and comfort*. His last hours cannot be haunted by the agonizing thought, that in spite of all his efforts, frugality and self-denial, he is leaving his wife and children to the cold charity of the world or to the grudging care of relatives. That the future will take care of itself, is a most fatal doctrine. The future never does take care of itself. It is mounded and made entirely by our present actions. And amongst all the means for promoting the future happiness of existence, we are serious in saying, that we know of none at all comparable to early insurance. To delay insurance when the means are within our power, is not only a cruel action, if a man has any existing or prospective obligations to fulfil, but a very foolish one, inasmuch as with each year the rates increase, and the ultimate participation is diminished. We have spoken strongly, we admit. But there are prudential considerations which no man is entitled to neglect, unless he wilfully courts disappointment for himself, or is culpably indifferent to the welfare of others who should be dear to him. There are, we firmly believe, no institutions in this country more strictly beneficial to the best interests of society, or more benevolent in their motives, than those insurance companies. They banish care from the dying pillow, and provide for the widow and orphan.—*Blackwood's Magazine*.

**PARIS MONT DE PIÉTÉ.**—A pledge unheard of in the annals of the Mont de Piété has just been made at that establishment; a foreigner of distinction having borrowed the large sum of 500,000*f*. on jewels, diamonds, valuable lace, &c. Appraisers were engaged for three days in ascertaining the value. If the owner redeems the property at the end of a year, it will cost him 47,500*f*., in addition to the sum lent. The Mont de Piété is a charitable institution established by the government to aid the poor by advancing to them small loans upon pledges of any kind of articles of value. But, from all I can learn of its operations, it is the greatest possible curse to the class it is intended to aid. Upon an article worth from 50 to 100*f*. they will advance 10 or

15f.; and in a great number of cases the poor wretches who have pledged are never able to redeem them; so that the operation often practically amounts to nothing more nor less than robbery.—*Cor. Boston Post.*

**THE LONDON BANKS.**—The half-yearly meetings of the several joint-stock banks in London being now completed, the subjoined table has been made up, showing their relative capitals and extent of transactions, as well as the respective periods at which they were opened, and the number of branches belonging to each establishment. The growth of business shown by these returns is very remarkable, the aggregate deposits held by the six banks having increased more than 14 per cent. during the half year, and their amount now being 21,016,438*l.* Much of this augmentation has arisen from the general prosperity of trade, it being understood that the business of the private banking firms during the same period has been also of a very satisfactory kind; but it exhibits, nevertheless, a tendency on the part of the public to avail themselves of joint-stock institutions, which must in a short time render the private banks the greatest sufferers, from their mistaken policy of excluding their rivals from the advantages of the clearing-house. The increase of profits exhibited in these accounts is in proportion to the enlargement of transactions, and it is to be hoped that the clerks of each bank, some of whom were notoriously underpaid, have shared in the general prosperity, although the Commercial Bank is the only one that has made a direct announcement to that effect:—

Banks.	Paid up Capital.	Deposits, &c.	Guarantee Fund.	Rate of Dividend just declared.
London and Westminster, established 1834, 5 branches,	£1,000,000	£6,219,817	£133,689	6 per cent. per annum.
London Joint-Stock, established 1836, 1 branch,	600,000	4,485,826	148,812	8 per cent. per an., leaving surplus for half year of £7,540.
Union of London, established 1839, 2 branches,	422,900	4,878,731	50,000	8 per cent. per an., leaving surplus for 12 m'ths of £10,594.
London & County, established 1839, 58 branches,	379,725	3,366,835	44,990	6 per cent. per an., leaving surplus for half year of £8,520.
Commercial, established 1840, 1 branch,	200,000	1,246,824	61,029	6 per cent. per an., with bonus of 16s. per share for 6 m'ths.
Royal British, established 1849, 8 branches,	50,000	819,405	9,118	6 per cent. per an., leaving surplus for half year of £1,664.

*London Times, Aug. 10.*

**AUSTRALIA.**—The Bank of New South Wales, the oldest and leading banking establishment in the southern colonies, has, in consequence of its great increase of business of late years, more particularly since the discovery of gold, resolved upon establishing an agency of its own in London. The present capital is £400,000, but it possesses the power to increase it to £1,000,000, in accordance with an act of incorporation granted by the colonial legislature, and confirmed by her Majesty in council. The London board will grant letters of credit or bills of exchange on the parent establishment in Sydney, and the various branches in New South Wales and Victoria; cash approved drafts on Australia; collect and remit the proceeds of bills of exchange payable there; and, under special circumstances, make advances on the shipment of merchandise, by which means they will afford every possible facility to their customers.—*London News, Aug. 13.*

**VIENNA.**—A new Discount Bank is about to be established at Vienna. Of this the money article of the *London Times* says:

The mercantile advices from Vienna, of the 21st instant, mention that the subscription for the new Discount Bank amounted to 4,770,925*l.*, the total required being only 500,000*l.* The shares had consequently been quoted at 6 or 7 per cent. premium. Every holder of five shares is to have one vote, and, from the circumstance that none are to have more, an impression was entertained that the concern might be

dangerously managed, owing to the influence of the mass of small proprietors. As, however, the whole thing will really be in the hands of the government, any apprehensions on that ground are unnecessary. All the parties having discount accounts are to be mutually responsible for each other in proportion to the sums allowed to each, and 15 per cent. of the net profits is to be set aside for a reserve fund to meet losses, and an additional 5 per cent. to meet the liabilities of the Bank towards third parties for re-discounts, &c. The rise in wheat at Vienna had lately been equal to 20 per cent., and in all parts of Germany a similar movement was taking place.

**RUSSIA AND ENGLAND.**—In order to show what are the British views of the Russian trade, we give the following extract from the London *Economist*, which is considered the leading commercial journal in the metropolis:

"The fact, however, is, that while our trade, which may be taken as a criterion of the trade of the whole world, has gone on increasing with France, with the United States, with Germany, with Turkey, with all the States of South America, it has been stationary with Russia. The declared value of our imports into Russia, which must be assumed as a measure of her exports, was £1,191,565 in 1831, and it was £1,289,704 in 1851—the increase of our trade, with 62½ millions of people, in twenty years having been just £98,139; or, if we take the average of the three years, 1831–3, and the average of the three years, 1849–51, we shall find no increase at all. The former was £1,436,606, and the latter £1,436,888. We know that her trade with other countries and her home manufactures and industry have, in the meantime, not extended very much to make up for her stationary trade with us. Increase of home trade, of cultivation of the soil, and manufactures, all accompany an increase of foreign trade. That is sure to extend a division of labor, and to economise it, to increase skill, and extend industry and enterprise at home. More must be produced to pay for what is imported, and stationary trade with us has been stagnant industry at home, and stagnant traffic with other countries."

**COIN TO THE EAST.**—The export of coin from England for the East is still heavy. The official tables of export by the outward bound Indian steamers of the Peninsular and Oriental Steam Navigation Company show that for the six months ending 30th June, 1853, that export was in gold bullion £66,575, in gold sovereigns £276,854, and in silver, £1,543,180, or about eighty per cent. in silver. Silver appears to be constantly in course of absorption in the East, as little ever returns. The subjoined tabular extract of the statement is interesting:

	<i>Sovereigns.</i>	<i>Gold Bullion.</i>	<i>Silver.</i>	<i>Total.</i>
Malta,	£32,276	£ . . . .	£ . . . .	£32,276
Alexandria,	250,878	. . . .	. . . .	250,878
Ceylon,	. . . .	17,220	179,505	196,725
Bombay,	. . . .	4,400	510,408	514,808
Madras,	. . . .	17,000	98,297	115,297
Calcutta,	. . . .	. . . .	693,464	693,464
Penang,	. . . .	. . . .	8,584	8,584
Singapore,	. . . .	10,456	67,103	77,557
China,	. . . .	17,500	55,875	73,375
Australia,	8,700	. . . .	. . . .	8,700
Total,	. . . .	. . . .	. . . .	£1,886,000

Besides the sums carried to India by the vessels of the Peninsular and Oriental Company, there have been further shipments, chiefly of silver, by the steamers of the General Screw Steam Shipping Company, and by sailing vessels.

**BANK OF FRANCE.**—The effect of the Eastern difficulties upon the French market, is described by the Paris correspondent of the London *Times*:

"The accounts of the Bank of France for the past month exhibit, for the first time during a long period, a diminution in the stock of bullion, which is also remarkable for its extent. Between the 9th of June and the 14th of July, the falling off has been 2,220,000*l.*—a sum more than equal to the entire augmentation which had

taken place during the preceding three months. The large purchases of foreign wheat effected in consequence of the apprehensions regarding the present harvest in France, have been the main cause of this adverse movement, but it is still calculated to excite surprise in the face of the constant drain that has been at the same time going on from England of the large amounts of gold that have lately arrived here from Australia and the United States. The peculiar state of affairs in China, which has caused the English and American merchants in that country to draw upon London for all their available balances, as well as the artificial demand of Turkey and Russia for specie to pay their troops, will suffice, however, to explain the apparent anomaly. Meanwhile, it is certain that the corn growing districts on the Baltic and the Black Sea must this year have experienced great prosperity, and must hold at present large amounts of bullion. The other features of the return are an increase of 2,120,000*l.* in the bills discounted, arising partly from the increased transactions in grain, and an addition of 96,000*l.* to the advances on government securities, and of 375,000*l.* to those on railway shares."

**DECIMAL COINAGE.**—In the English House of Commons, the Committee on the Decimal Coinage have concluded the examination of witnesses, and it is understood the result will be a unanimous report in favor of the adoption of the decimal system of coinage and currency, making the pound sterling the integer, and dividing it into 1,000 units or farthings. Dr. Bowring, on whose motion in Parliament the first step was taken in 1848, by the coinage of the florin, or one-tenth of a pound sterling, was the last witness examined, and gave most satisfactory evidence as to the extraordinary accuracy, rapidity and facility with which all calculations are made and all accounts kept under a decimal system throughout the vast Chinese empire, with its four hundred millions of dependent subjects. He produced the instrument (abacus) by which arithmetic is taught in all the schools of China, and stated that a Chinese youth, after a month's instruction, is far more competent to apply all the rules of arithmetic to the business of life than a learner on our plans of instruction would be after the teachings of years. It was suggested in the committee that the use in all our elementary schools of the abacus, would greatly facilitate and popularize the introduction of a decimal system of currency and account.

**LONDON BANKS.**—Of the profitable operations of the London Joint Stock Banks, the *London News* says:

"The four principal joint-stock banks of London have now held their annual meetings, and have published their several reports to the end of June, 1853. The following figures show in a strong light the steady and growing importance of the institutions, and attest the mercantile ability and care with which they are conducted. The aggregate amount of their paid up capital is £2,323,000, customers' deposits, £16,833,000, and their rest and undivided profits £368,587. The accompanying statement will be interesting to those who differ in opinion as to the point at which the rest or guarantee fund ought to stop. The London and Westminster Bank, established in 1834, has a guarantee fund on capital of 11 per cent., and on customers' accounts of 1½ per cent., and pays a dividend of 6 per cent. and bonus. The London Joint Stock, established in 1836, has a guarantee fund of 24½ per cent. on capital, and 3½ on customers' accounts, and pays 8 per cent. and bonus. The Union Bank of London, established in 1839, has a guarantee fund on capital of 11½ per cent., and on accounts of 1 1-16, its dividend is 8 per cent. The Commercial Bank, established in 1840, has a guarantee fund of 20 per cent. on capital, 4½ on customers' accounts, and pays 6 per cent. and bonus of 16*s.* per share."

**GOLD FOR FRANCE.**—According to the advices from London to the 13th instant, Consols closed at 98 a 99½. There is an increasing demand for money in the English markets, at a minimum of 3½ per cent., and the belief is becoming more prevalent that a further rise will occur soon in the Bank rate. The *London News* alludes to the continuous exports of gold, and adds:

"The remittances of gold to the continent are not so heavy as of late; but this is solely owing to the fact that the late Australian supplies have been exhausted. The demand for France continues unabated, and under present circumstances, any fresh imports of the precious metal would only remain here long enough to allow of the

melting process being carried through. As we have before explained, the chief profit on the transmission of gold across the Channel consists in the silver contained in the gold, the refining process being carried on in Paris on a large scale, and with great economy. California gold, owing to its containing double the quantity of silver to that existing in the Australian product, is preferred for remittance; but the quantity of silver contained in Australian gold is yet sufficiently considerable to allow of its exportation at a profit. The gold held by the Bank of England being 'fine gold,' is not suited for remittance in this way; and, moreover, parties would have to buy it of the Bank at the rate of £3 17s. 10½d. per ounce, which, under present circumstances, would not leave a profit. The drain on the Bank's stock, however, continues."

**REBUILDING THE STOCK EXCHANGE.**—The members of the London Stock Exchange, having obtained a suitable plot of ground from the corporation, consequent on the improvement now effecting in Throgmorton-street, and contiguous to the old edifice in Capel Court, have determined to erect a new and commodious building, with handsome architectural frontage to Throgmorton-street, for the transaction of their business. During the progress of the works, it is rumored that the Hall of Commerce will be temporarily used as a Stock Exchange.

**MERCANTILE AND MARITIME COLLEGE.**—A public meeting of the merchants, bankers, underwriters, &c., of the City of London, was held in May last, at the London tavern, Bishopsgate-street, for the purpose of establishing a college for the education of seamen. The Earl of Harroby (who presided) alluded to the backwardness of this as compared with other nations in the establishment of colleges for the education of seamen, and the benefits which such institutions would confer on the maritime population of the empire. He stated that America had far surpassed us in the management of maritime and commercial affairs, simply because we had not educated our people in the most essential branches of navigation; he hoped, however, that our deficiencies in this respect would soon be remedied, and nothing would contribute more powerfully to attain that end than the formation of a college for instruction in all branches of practical science, and especially in the principles which govern the various relations of commerce. In connection with such a college there might be an institution which he would call a trade museum, containing samples of the raw produce and manufacturing skill of the various countries on the face of the globe, charts and models, and a general repository of all sorts of information, statistical, mercantile and legal, connected with all the countries with which we had commercial relations, and a collection of works on commerce, banking and general science. It was considered by many persons that Gresham College afforded many facilities for the carrying out of such a plan, and it would be, doubtless, an important question whether the objects which this meeting had in view could be made to harmonize with that institution. That, however, together with all matters of detail, would best be considered by a committee, to whom, if the project itself was thought desirable, the best mode of carrying it out would of course be remitted. Resolutions in favor of the establishment of such an institution were moved by Mr. Thompson Hankey, Mr. Francis Russell, M. P., Mr. W. Crawford, Mr. Gillespie, Mr. Oliveira, Mr. Robertson, Mr. Dillon and Alderman Wire, and were unanimously adopted by the meeting; and a committee to arrange the plan was formed, consisting, among others, of the Earl of Harroby, Baron Lionel Rothschild, Alderman Wire, Mr. Morley, Mr. Crawford, Mr. J. G. Hubbard, (of the Bank of England,) Mr. Hankey, Mr. Gilbert, (of the London and Westminster Bank,) and Mr. F. Russell, M. P. Letters approving of the institution of the college were read from the Lord Mayor, Baron L. Rothschild, Mr. Hume, and Mr. Gilbert, who were prevented from attending on this occasion.

**GOLD EXPORTS FROM VICTORIA.**—The total gold export from the Colony of Victoria (Australia) was 689,429 ounces in the first four months of 1853, against 240,363 in the same period of 1852, viz.:

		January.	February.	March.	April.
1852,	ozs.,	64,834	56,108	51,865	67,556
1853,	ozs.,	186,015	172,329	169,654	161,431

## MISCELLANEOUS.

**THE JERSEY CITY BANK ROBBERY.**—The following are particulars concerning the robbery of \$10,816 from the Mechanics and Traders' Bank, Jersey City. The Bank had been secured over night as usual, and on Tuesday morning the domestic, going in to sweep, found the rear door forced and the key of the safe on the floor. She said nothing, however, till the key was missed, when she related what she had seen. Of the money taken, \$8,500 belonged to the Mechanics and Traders' Bank, and \$3,888 of it was small bills, ranging from \$1 to \$10 on that bank. The registry numbers of these bills are known. \$1,863 was gold; \$495 was silver; \$1,500 current bills, mostly of the City of New-York; and \$970 uncurrent funds, mostly on banks in New Jersey, and in the State of New York. The box, containing \$591 cash, and a check for about \$500, all of which belonged to the Provident Institution for Savings, had been placed in the safe, and was also taken. The check was signed by T. W. James, Treasurer of the Institution, and payable to his order. His name must be forged on the back of it before it can be offered. It was upon yellow paper—being the regular printed form used by the Institution. J. M. Merselles, Esq., Sheriff of the County, had placed \$1,225 in the Bank on Monday afternoon. It was chiefly North River Bank bills. There were five \$100 bills, four or five \$50 bills, and fifty \$5 bills, and the remainder \$20 bills. The Directors authorize the offer of a reward of \$1,000 for the recovery of the money.

**PENNSYLVANIA STATE CREDIT.**—In reference to the new five per cent. loan of the State of Pennsylvania, and to the deficiency of bank capital in that State, the *Philadelphia North American* says:

"But there is one circumstance connected with this matter, deserving of a passing notice. To answer the purposes of the State, this loan must be taken immediately, and upon good terms. Who stand ready with funds, whenever such calls are made, and to whom does the State government look first, of necessity, for them? The answer is obvious—the Banks of Philadelphia. Yet, while the wants of our business community are cramped for lack of the requisite banking facilities, and the government occasionally diminishes what we have of actual capital, by these loans, the same authority obstinately refuses all applications for charters for additional banking capital, and even seems reluctant to renew the charters we already have. This is an unreasonable folly, fraught with mischief to a community which gives liberally to the State, and receives precious little but kicks and cuffs from it. Our banking capital is ridiculously inadequate to the wants of the community, and the unavoidable consequence is, that while the enterprise of other commercial capitals has ample scope and backing for its operations, our business concerns are embarrassed at every turn, and even our most substantial men are sometimes refused at a bank because the institution cannot accommodate all its customers."

**VERMONT FREE BANKS.**—The notes of the South Royalton Bank (Vermont), have been protested for non-payment, for account of the Boston brokers. These notes have never been taken at the Suffolk Bank, Boston—the former bank having declined to make any arrangement for the redemption of their bills in Boston. The general banking law of Vermont, under which the South Royalton Bank was established, in 1852, provides that in case of refusal to pay the notes of a bank, the holder may cause them to be protested, and notify the Treasurer, who shall then advertise and sell the stocks or mortgages given as collateral security, and, with the proceeds pay the circulation. One half of the circulation may be secured by mortgages on improved farms at two fifths their value, exclusive of buildings. The stocks admitted as a basis of circulation are those of the States of Massachusetts, New York, Maine, Connecticut, Rhode Island, New Hampshire, Vermont, Ohio, New Jersey, Virginia, and those of the General Government. All circulation protested, or payment of which is refused by the bank, shall be entitled to interest at the rate of 12 per cent. per annum until paid.

**THE TAX ON SPECIE.**—We perceive, by the *Panameno* of Sunday, that the new law relative to levying a tax of ten reals a pound on all specie conveyed across the Isthmus, has already passed the first reading, and at the second reading on the 7th May, Sra. Gonzales and Fabriga demanded to have their votes recorded against the measure. "We do not doubt," says the same authority, "that all the other senators and representatives of the provinces of the Isthmus, and those who are acquainted with it, will also offer a strong opposition to the measure."

We presume, however, that the opposition of these gentlemen will be but of little avail. The hope of raising a revenue with such facility, without risk, entirely levied upon the foreign trade of the Isthmus, is too great a temptation to be resisted; but we can easily foresee that in this the sapient projectors of the law will be disappointed, from the simple fact that the specie will find some other route between the two oceans.—*Panama Star*, June 7.

**SAN FRANCISCO FINANCES.**—The Commissioners of the Funded Debt have presented their second annual report, from which it appears that the total amount of the funded debt of San Francisco is \$1,517,652 90. \$92,000 was redeemed in 1852, and so far this year, \$22,900. A further sum of \$10,000 will be redeemed during the present months. The real estate sold at auction by the Commissioner during the past year, netted \$216,085 95, from the proceeds of which there has been cancelled of the old floating debt of the city, \$188,800 82. The Commissioners believe there is still outstanding more than \$30,000 of old three per cent. script, which should be paid as soon as possible. The long pending difficulties with the lessees of Market and California street wharves have been advantageously settled. In the matter of the Pacific street and Broadway wharves, they are still in litigation.

**THE BANK OF CAMDEN.**—To the Stockholders of the Bank of Camden, South Carolina:

*July 1st, 1853.*—The profits of the last six months were at the rate of about 13 per cent. per annum. From these profits a dividend at the rate of 12 per cent. per annum was made this day, leaving, with former profits, a reserve of \$40,000, in round numbers. The assets are all *good*; there is not the least apprehension in relation to any portion of them. The Bank had two regular agencies last year; one at Charlotte, and one at Sumterville. That at Charlotte has been discontinued, in consequence of the election of the Agent to the Presidency of the new Bank there; we have no agency now but at Sumterville.

The holders of the stock of this Bank number about 200; of these, about 100 hold for widows and orphans, and married and single women, ministers of the gospel, and for various religious and charitable societies and institutions; and these 100 holders represent nearly five eighths of all the capital of \$400,000. No part of the stock is held, as we believe, for speculation; for the larger portion of the stock held by the others than the class above named, is held by elderly men, and persons not in business. It seldom changes hands; the actual sales have hardly averaged \$5,000 a year for years past.

The members of the Board now, are W. E. Johnson, Thomas Lang, J. M. DeSausure, Benjamin Perkins, John Workman, W. D. McDowall, and Edward Haile. All the 200 stockholders, including the seven directors, two of whom are business men, hardly owe the Bank \$20,000.

At the annual meeting of the stockholders in May last, the Board were directed to apply for a renewal of the charter, which expires first of January, 1856.

It is proper to remark, that, notwithstanding the exaggerated impression as to the decline of Camden, we are well assured, that under a new charter we can continue to make satisfactory dividends. First, or last, we have excited no false hopes, but have fully come up to our promises. By order of the Board.

W. E. JOHNSON, President.

**PENNY BANKS.**—The establishment of the "Six-Penny Savings Bank," at No. 336 Broadway, in this city, has already led to small savings on the part of a large number of children, as well as adults, and will eventually accomplish much good to the poorer classes. The total deposits up to this day amount to about ten thousand dollars. Interest at the rate of six per cent. is allowed on all accumulations under \$500, and



five per cent. on all above that sum. Interest is allowed after the deposits reach three dollars.

We have seen letters of inquiry on this subject from Baltimore and Louisville, which show that the example of the New York Institution will be followed promptly elsewhere.

One of the first deposits in the Six-Penny Bank was made by an urchin who was without shoes or stockings. His first deposit was the sum of five cents; and before the end of the day it reached thirty-one cents. He begged that his deposit book might be retained at the bank; otherwise his parents would claim all his future earnings (as they had his previous ones) for the purchase of liquor. It is only necessary to have the objects of the institution generally known, to induce thousands to avail themselves of the privilege of depositing their small earnings.

A bonus or reward to all who allow their deposits to remain a specified number of years, would perhaps confirm the habit of making the six-penny deposits.

**MISSISSIPPI BONDS.**—We have seen private letters from Natchez, which state that the High Court of Errors of Mississippi have given an *unanimous* decision in confirmation of the judgment of the lower court, in favor of the bondholders.

The New Orleans Commercial Bulletin remarks upon this subject:

The people of our sister State now occupy a position, so far as their honor, character and credit are concerned, which should cause them to reflect, to study, and to ponder, as never did people before. Although repudiation had sunk their credit so low that a million of dollars of constitutionally issued State bonds would not command a dollar in any of the markets of the earth, still there is another, "a lower deep," into which they will assuredly plunge, and from which it is doubtful whether they can ever be extricated, unless they take the proper stand now. It is this, heretofore, the Legislature and the people have declared, by vote, that the bonds were both illegal and unconstitutional. The Judiciary, which alone had rightful authority to pass upon the question, had given no opinion. Since this popular and legislative decision, the subject has been brought broadly before the Courts—in the manner prescribed by law, in which suits against the State must be brought, and before tribunals empowered by the laws to settle all such conflicting questions. The case came before the Superior Court of Chancery. The Chancellor decided that the State was morally and legally bound to pay the bonds. The Attorney-General took the case up to the High Court of Errors and Appeals—the tribunal of last resort. And that Court has now decided, unanimously, that the State is legally bound for the redemption of the bonds.

From these decisions the people of Mississippi cannot escape, no matter if the arguments of the repudiators were sound both in law and morals. *Their own tribunals*—courts created by themselves, to determine such questions—have decided that they are bound to pay. Had the decision been different, had their own courts (and that would have been hardly fair to the foreign creditor) decided otherwise, there would have been some excuse, perhaps. But now there is none. The State is rich, and able to pay; the plea of poverty cannot be preferred. The judges selected by themselves, after a fair trial, have decided against them. Had it been favorable, they would have maintained that the decision should be absolute. As it is adverse, they should bow to it. No rule can be a just one that does not work both ways. Before the courts, the State should occupy the position of an individual, not take advantage of her power, and bid defiance to the laws she herself had created.

If Mississippi yields obedience to the decisions of her own courts, and pays these bonds, she will not only retrieve her credit, but she will be advanced double the amount she will pay, in less than a fifth of a century. Repudiation has already cost her more than the sum in controversy.

But bad as the credit of the State has been since the ill-starred and ill-advised decree of repudiation went forth, it will be infinitely worse, the "lower deep" will be reached, if Mississippi disregard and overthrow the decisions of the courts of her own creation. There will be no justification, no plea, no excuse.

Private letters state, that notwithstanding the decision of both courts in favor of the bondholders, it will be a long while before the latter will realize their money.

The Natchez Courier adds:

We ask a fair and candid attention to the following extract from a letter written by

an intelligent gentleman in the great Eastern metropolis. It sets forth, in strong light, the effects that our repudiating policy is having, not merely upon our own schemes of internal improvement, but upon those of our sister States, equally productive of good to us as to them. What a commentary would it be upon the vote of East and Northeast Mississippi, given last fall on the Planters' Bank Bonds, if it should be found to have retarded or jeopardized the early completion of their great scheme, the Mobile and Ohio Rail-Road—so jointly relied on for a vast and certain increase of the wealth, prosperity and population of that great region; and so with regard to the vote of the northern and some of the central counties upon the prospects of the New Orleans, Jackson and Great Northern Rail-Road. The cause of internal improvements is in truth indissolubly connected with that of the financial integrity of our State, and never can that cause flourish, as it ought to flourish, until the whole policy of repudiation is rejected, and the State of Mississippi again assumes the attitude of a willingness to do all in her power to discharge every obligation which bears her great seal, and to which her "public faith" is pledged.

U. S. MINT.—The following circulars have been issued by the directors of the Mint of the United States:

MINT OF THE UNITED STATES, *Philadelphia, July 27, 1853.*

The director of the mint gives notice, that from and after the 15th day of August next, payments for silver purchased for the mint at Philadelphia, and at the branch mint, New-Orleans, will be made three fourths in silver coin of new emission, and one fourth in gold. In accordance with existing arrangements, the whole price will be advanced in the first instance in gold, and as the new coin is ready for issue it will be paid out, in the proportions specified, in exchange for the gold returned by the parties selling silver, and in the order of their priority of sales.

At the New-Orleans Branch Mint an option is reserved to substitute, partially or entirely, drafts on the Assistant Treasurer, at New York, for the gold otherwise payable for silver purchased.

The present prices of silver, which will be continued until further notice, are as follows:

For dollars of Mexico, Peru, Bolivia, Chili and Spain; for francs, and for silver coin of the United States, other than the three cents, \$1 21 an ounce, gross.

For thalers of Sweden, and of the northern states of Germany, \$1 01 an ounce.

For silver in bars, for mixed coins, and for other silver coins not herein specified, \$1 21 for each ounce at standard fineness, (nine tenths,) as determined on assay at the mint.

JAMES ROSS SNOWDEN, *Director.*

MINT OF THE UNITED STATES, *Philadelphia, July 26, 1853.*

The director of the mint, under the sanction of the 7th section of the act of March 3, 1853, authorizing new devices for the silver coinage of the United States, and with the approval of the Secretary of the Treasury, invites the co-operation of artists, engravers and other persons of taste, to aid him in effecting that object, and requests such as may be disposed to forward to him, before the first day of October next, such designs as they may deem appropriate to that coinage.

The law having imposed no restrictions in relation to the devices, the director abstains from advancing any suggestions on the subject, it being his wish that the designer should be entirely untrammelled in the exercise of his judgment and skill.

An impartial examination will be made of the designs which may be furnished in accordance with this request; and for those three which shall appear best fitted to the object in view, a competent and liberal remuneration will be made.

JAMES ROSS SNOWDEN, *Director.*

**BILLS OF EXCHANGE.**—The Mobile Daily Tribune furnishes the following notice of a decision of commercial importance, lately made in the Supreme Court of Alabama.

A negotiable note was purchased in Mobile by Mr. Westfeldt, the makers of which lived in Sumter and Mobile Counties. It appears, that prior to the purchase, certain persons who lived in Sumter, and who claimed to be creditors of an insolvent bank of Mississippi, filed their bill in the Chancery Court of Sumter, to which the makers of the note and certain other persons who, it was charged, held the note in trust for the said

Mississippi Bank, were made parties, and upon which an injunction, restraining the negotiation and payment of the note were granted against the defendant.

The evidence in the case showed that Mr. Westfeldt purchased the note before maturity, and for a valuable consideration, without any notice, in fact, of the pendency of said bill, or that there was any claim outstanding against said note. But the proceedings in Chancery showed that the bill was filed, and an injunction granted and served in Sumter before the purchase was made in Mobile.

The case was tried before the Circuit Court at Mobile. The counsel for Westfeldt contended, that while it may be admitted as a general rule, that the pendency of a suit withdraws the subject matter, and prevents its sale or transfer, except subject to the operation of the decree to be rendered in the cause, yet, that the safety of commercial transactions requires that negotiable paper should be excluded from its operation. On the other side it was contended, that the rule is of universal application. There was a judgment for the plaintiff below, and at the late term, the Supreme Court affirmed this judgment.

Thus an important principle has been determined in favor of commercial dealings, and it is somewhat remarkable, as we learn from the learned and lucid brief of Col. Phillips, which has been printed in this city, that no express adjudication has heretofore been made on the subject, either in this country or England.

**SUB-TREASURY.**—The increasing funds in the sub-treasury will be in a measure checked by the proposal of the treasury department to purchase the six per cents. to the amount of five millions of dollars, as will be seen by the annexed circular:

TREASURY DEPARTMENT, July 30, 1853.

Notice is hereby given to the holders of the six per cent. stocks of the United States, of the loan authorized by the act of 28th January, 1847, and redeemable the 31st December, 1867, and of the loan authorized by the act of 31st March, 1848, and redeemable 30th June, 1868, that this department is prepared to purchase, at any time between the date hereof and the 1st day of December next, to the extent of the sum of five millions of dollars of the said stocks, in the manner and on the terms hereinafter mentioned, to wit:

In case of any contingent competition, within the amount stated, preference will be given in the order of time in which the said stock may be offered. The certificates, duly assigned to the United States, must be transmitted to this department; upon the receipt whereof, a price will be paid, compounded of the following particulars:

1. The par value or amount specified in each certificate.
2. A premium on said amount of twenty-one per cent.
3. Interest on the par of the certificate, from the 1st of July, 1853, to the date of receipt and settlement at the treasury, with the allowance (for the money to reach the owner) of one day's interest in addition.

Payments in said stock will be made in drafts of the Treasurer of the United States, on the assistant treasurer at Boston, New York or Philadelphia, as the parties may indicate.

JAMES GUTHRIE, *Secretary of the Treasury.*

The loan of 1847 was taken at or near par. In July, 1847, when the public funded debt was only forty millions, the Government six per cents. were dull at 103 a 104, Treasury notes at par, and exchange on London only 6 a 7 per cent. prem. In December, 1847, the six per cents. were at par, the treasury having asked for a fresh loan of sixteen millions, which was granted, and the loan taken at a small premium. This loan it is now proposed to repurchase at a limit of 21 per cent. premium.

The annexed circular, from the treasury department, shows that the Secretary proposes to purchase a limited amount of six per cent stock of 1862, at 16 per cent. premium, and six per cents. of 1856, at 8½ premium:

TREASURY DEPARTMENT, August 22, 1853.

Notice is hereby given to the holders of the six per cent. stocks of the loan authorized by the act of April 15, 1842, and redeemable 31st December, 1862, and also to the holders of the six per cent. stocks of the loan authorized by the act of July 18, 1846, redeemable 12th November, 1856, that this department is prepared to pur-

chase, at any time between the date hereof and the first day of December next, to the extent of two millions of said stock, in the manner and on the terms hereinafter mentioned, to wit: In case of any contingent competition within the amount stated, preference will be given in the order of time in which the said stocks of either kind may be offered. The certificates duly assigned to the United States must be transmitted to this department, upon the receipt whereof a price will be paid compounded of the following particulars:

1. The par value or amount specified in each certificate.
2. A premium of 16 per cent. on the stocks of 1842, redeemable in 1862, or a premium, as the case may be, of eight and one half per cent. on the stocks of 1846, redeemable in 1856.
3. Interest on the par of certificate, from the 1st of July, with the allowance for the money to reach the owner, or one day's interest in addition.

Payment for said stocks will be made in drafts on the Treasury of the United States, or the assistant treasurer at Boston, New York or Philadelphia, as the parties may direct.

JAMES GUTHRIE, *Secretary of the Treasury.*

SUB-TREASURY.—Under recent orders of the treasury department, disbursing officers of the army, and other disbursing agents, are authorized to deposit their funds with a sub-treasurer, for safe keeping. The *St. Louis Republican* states, that

"Instructions have been issued from the head of the treasury department at Washington, to the assistant treasurers at Boston, New York, Philadelphia, Charleston, St. Louis and New Orleans, 'to receive from all disbursing officers, on deposit, the public money in their hands, and permit them to check out the same at such times and in such sums as the public service committed to their charge may require.' This is a very important order, and one which, though not strictly in compliance with the law, yet finds its justification in the necessity of the case. Hitherto, ever since the adoption of the sub-treasury system, the importunities of disbursing officers to be allowed to keep accounts with the assistant treasurers, have been refused. If they had a draft of \$100,000 to be disbursed in small sums, and at different points of the country, all they could do was to draw out the whole sum, and keep it at home, or in the bank, or with the brokers. It was not a very pleasant responsibility to have such an amount of money in their own offices, and they were forced to violate the law, and to place their money on deposit at the places we have named. The new instructions will relieve them from this responsibility, at the same time that it will impose a very great additional labor upon the sub-treasurers, for which the present compensation is wholly inadequate. Now that this invasion has been made upon the system, it is to be hoped that the next Congress will set itself to work to make such changes as experience has demonstrated to be necessary.

## BANK EXCHANGES.

### *A Plan to simplify the Exchanges of the New-York City Banks.*

I propose that the banks shall establish, in Wall-street, an office, as the agency through which exchanges shall be made. Let all the banks make up their exchanges as they do now—that is, assorted and made up with a slip for each bank with whom exchanges are made; inclose these with a slip, like a teller's proof, stating the amount of the slip upon each bank, and the footing or gross amount of the whole. Send the entire exchanges to the office, at 9 o'clock each day, where they will be entered to the credit of each bank, and then assorted, by bringing the entire exchanges upon each bank from all the others together, entering them upon a slip like the one sent in; the footing of which, or the gross amount, will be charged to each bank by the agency. It will be seen that the amount

received each day by the office, will be the same as the amount sent out. This, by a proper system, could be done by 10½ or 11 o'clock, A. M., each day, when the porters of the different banks could receive from the office their entire exchanges from all the banks in the city. As there are fifty-seven banks now in the city, fifty of whom exchange with each other, the result of the above plan would be the closing of *fifty city bank ledgers*, the daily saving of a *hundred entries*, and a *hundred postings* for each bank, *the closing of two thousand five hundred accounts* now in their ledgers, and a saving of *five thousand entries*, and *five thousand postings* per day, a total saving, for the present number of banks, of *ten thousand entries and postings* per day, in addition to the labor of drawing drafts upon each other, and the necessary entries and postings upon those days when specie is drawn for. This is in itself a great saving of labor, not to mention the hunting for the errors sure to occur in such a number of transactions, all of which are necessarily very much hurried. Another very important result would be the centering of balances, *one settlement only being required*, while now *fifty* are necessary. The account kept in each bank with the agency, would be the same as is now kept with city banks, and would show their position, either as debtor or creditor.

Differences and errors in the exchanges could be arranged at a second meeting of the porters, at, say 1 o'clock, P. M., of each day, by tickets, which could come through the exchanges on the following day, being passed through the office by debits and credits, in the same way as the exchanges. If preferred, they could be arranged as they now are, at the counters of the banks, in whose exchanges they are found, no entries being required. If an office should be established to carry out the above, its business could be directed by a board of cashiers appointed for the purpose, one of the board being present each day while the exchanges were made, if it were thought necessary. The officers employed should give a bond to the joint banks, with sureties for the faithful performance of their duties. The responsibility of such an office would be no greater than that of the porters under the present system, and if carried out, the risk of the porters will be much lessened. The cash received and passed through the office would not be disturbed, but sent out in the same straps and with the same slip as that with which it came. A simple and perfect check upon the passing of exchanges through the office, would be for each bank to enclose each exchange in a sealed envelope, stating on it the bank for whom it was intended, and the amount of the exchange; this would be all that the office would be required to know about the exchanges, and would free it almost entirely from responsibility. The expense of the office should be divided among the banks; and as a large part of the time of cashiers, tellers, book-keepers and porters, wanted for other purposes, would be saved, and all the balances made available, a very large economy would be made of interest, time and money. The best mode of settlement would be, for the agency each day to draw upon the debtor banks for their balances, and with these drafts pay the banks who were creditor; these drafts should, of course, be payable in specie, if required; if not, they could be sent through the exchanges upon the following day. Should specie

be needed by the creditors, notice should be given to the agency, and the debtor banks should be required to deliver it at the office to the porters of the creditor banks; this could be arranged at the time of receiving the exchanges from the office, and the specie passed at 3 o'clock, P. M. In this way, every bank would stand upon its own merits, control its own funds, save the thousands of drafts and counter-drafts now drawn in settling, and the passing and repassing of bags of specie from one vault to another. It would prevent that disturbance and agitation of the money market consequent upon the banks drawing for specie. The largely increased number of banks scattered so widely, renders some change in the present mode of exchanging absolutely necessary. The above plan is simple, requires no great change, and can be easily brought about, should it be approved. I submit it to your consideration, with the request, that if it should meet your views, either in whole or part, that you will advise me to that effect. Should it be found that a general interest was felt in the matter, steps will be taken to bring about some concerted action in reference to it.

GEORGE D. LYMAN,  
*Receiving Teller, Bank of North America.*

---

At the meeting of bank officers held on Tuesday, August 16, a committee, consisting of five cashiers, was appointed to devise and report some new method for making the exchanges and settling balances between the banks of this city. With all deference to the talents of the gentlemen composing that committee, and great respect for them personally, outside barbarian though I may be, I desire to call their attention to what I conceive would prove to be an eminently safe, sound, practicable and unobjectionable method, and one, too, which would render "equal and exact justice to all." I allude to the plan proposed in my previous communication, the main features of which are, the creation of an Exchange Office and Bank Treasury in connection with each other, with a treasurer at their head, and the daily settlement of balances in specie. The operations in the exchange office, as has been stated by Mr. Lyman, would be to receive at an early hour in the morning, the exchanges from the different bank porters, giving them credit in their pass books for their respective amounts at the time; these exchanges re-assorted under a well systemized arrangement, would be ready for delivery in a very short time, the return exchanges being the exact amount of exchanges received. The operations in the treasury department would be to receive and verify deposits of specie made by banks when they should become debtor for a greater amount than they had on deposit in the treasury, and to pay creditor banks such portion of their deposits as they may desire to transfer to their own vaults. That I may be fully understood, let us suppose the plan to be in operation, with, say three millions of specie in the treasury belonging to the 56 banks of this city, in various sums of from ten thousand to two hundred and fifty thousand dollars each; the exchanges for the day are made, and no bank be-

comes debtor for a greater amount than its balance in the treasury. No movement of specie takes place on that day; the three millions of dollars remain in the Treasury, belonging to the same owners, but *in different amounts*, and the same may occur for successive days, and even weeks. When a bank becomes debtor for an amount greater than its balance in the treasury, it should be bound to make it good by deposit in specie the same day, or in default thereof, to be stricken from the exchange list.

The exchange office and treasury should be, as it would undoubtedly suggest itself to the committee, in connection with one of the banks, the cashier or president of which should be the treasurer, and made liable for the safe keeping of the specie in the treasury. This matter of safety made satisfactory, there is an end of all difficulty in carrying out an arrangement which would produce an uniformity and evenness in banking beyond that ever yet attained in this city. In regard to the matter of safety, I see no difficulty. There are bank vaults in Wall-street as secure as any sub-treasuries in existence, and there are bank presidents and cashiers overtopping all suspicion, who, for an adequate and proper compensation, would give the necessary security to silence all doubts upon the subject.

A few words in regard to the expense.

A Treasurer, (in consideration of giving heavy bonds,) per annum.....	\$5,000
Use of Vault and Exchange Office, do.,.....	1,000
One Specie Clerk, do.,.....	1,500
Six Clerks, aggregate, do.,.....	6,000
Incidental expenses, do.,.....	1,500
	<hr/>
	\$15,000

I do not pretend to accuracy in this estimate. I think that is liberal. \$15,000, on an aggregate capital of \$45,000,000, equal to the one thirtieth part of one per cent., or less than \$200 for each bank, if paid equally, an insignificant amount, even though it were doubled, compared to the beneficial results sure to follow the adoption of the plan proposed, and small when compared with the actual pecuniary saving that would accrue to the Banks. By this plan all City bank balances would become specie in the vaults of the treasury, and the weekly averages required to be published would render tribute to whom it was due.

*Gentlemen of the Committee:*

Hesitate not to recommend that course which shall strike at the root of the evil, (frequent contraction and expansion,) so long interwoven with our banking system, and upon its adoption you will be hailed as benefactors by your porters, clerks, tellers, book-keepers and fellow cashiers, (and yourselves,) for the great relief you will have afforded them, and by the mercantile and trading community for the greater security they will experience in their business transactions; and, in conclusion, permit me to say, you will then have deprived the arrogant and supercilious banker of an excuse for declining to do business with his superior.

Very respectfully,

A BANK OFFICER.

## BANK ITEMS.

**NEW YORK.**—The Atlantic Bank of the City of New York commenced business on the 2d of August, with a capital of \$400,000, at the corner of William and Beaver streets. President, Isaac Otis, Esq., (late President of the Hanover Bank;) Cashier, Thomas L. Taylor, Esq., late of the Hanover Bank.

**New York City.**—The Oriental Bank commenced business in July, at the corner of Grand-street and East Broadway. Capital, \$300,000. President, Joseph M. Price, Esq.; Cashier, William A. Hall, Esq.

**Phenix Bank.**—The directors have issued the following notice to the stockholders:

PHENIX BANK, *New York, June 12, 1853.*

The charter of this bank will expire on the 1st day of January next. Such of the stockholders as are desirous of joining in an association about being formed, to take its place and continue its business, will please call on PETER M. BRYSON, Cashier of the Phenix Bank, after the 1st day of July next, and before the 1st day of November next, and subscribe the articles of association. Each stockholder in the Phenix Bank will be entitled to subscribe for a like amount in the new association, to be styled *the Phenix Bank of the City of New York*, to have the same amount of capital, viz., one million two hundred thousand dollars, divided in the like number (60,000) of shares, of twenty dollars each.

THOMAS TILESTON, *President.*

PETER M. BRYSON, *Cashier.*

**Utica.**—P. V. Rogers, Esq., at present Cashier of the Fort Stanwix Bank, Rome, has been elected Cashier of the Bank of Utica, in place of William B. Welles, Esq., resigned.

**Sing Sing.**—The Bank of Sing Sing commenced business a few days since. President, William Vail, Esq.; Cashier, Theodore Banker, Esq.

**Kinderhook.**—A new bank has been organized at Kinderhook, in the county of Columbia, with a capital of \$150,000, to be called the "Union Bank of Kinderhook." It is expected to go into operation about the 1st of September. William H. Tobey, Esq., of Kinderhook, is the President, and among its directors and stockholders are some of the most substantial and enterprising business men in that vicinity. The want of a new bank, under proper and efficient management, has been long felt by the business interest of Kinderhook and its vicinity. In consequence of the limited capital of the old "Bank of Kinderhook," the extensive manufacturers and other business men in the northern part of Columbia County, have been obliged to obtain most of their banking facilities in Albany, Troy and Hudson.

"The Union Bank of Kinderhook," under the management of energetic and prudent men, will prove a great public convenience, and we doubt not, profitable to its stockholders.

**MAINE.**—The Searsport Bank commenced business on the 1st of August. Jeremiah Merithew, President; John H. Lane, Esq., Cashier. Capital, \$50,000.

**NEW HAMPSHIRE.**—The City Bank, at Manchester, N. H., is about to commence business, under a charter granted at the last session of the legislature. President, J. C. Flanders, Esq.; Cashier, E. W. Harrington, Esq.

**MASSACHUSETTS.**—William B. Calhoun, Esq., of Springfield, has been appointed Bank Commissioner of Massachusetts, in place of Solomon Lincoln, Esq., who has become Cashier of the new Webster Bank. The Board now consists of Ezekiel W. Colt, of Pittsfield, Stephen C. Phillips, of Salem, and William B. Calhoun, of Springfield.

**Lee.**—The additional capital authorized to the Lee Bank (\$50,000) has been paid in, making the present capital \$200,000.



**Boston.**—Isaac C. Brewer, Esq., has resigned his office of Cashier of the Suffolk Bank in Boston, and his resignation has been accepted. He has been in the employment of the Bank for thirty years. He was first employed as book-keeper, and on the resignation of Matthew S. Parker, Esq., in 1837, succeeded him in the office of Cashier, the duties of which he has discharged for sixteen years with signal ability, and to the entire satisfaction of his employers. Mr. Brewer will be succeeded by Mr. Edward Tyler, who was recently appointed Assistant Cashier, in place of Mr. Hunt, who died in July.

**New Banks.**—The following new banks have commenced or are about to commence business in Boston:

Location.	Bank.	President.	Cashier.	Capital.
23 Kilby-street,	Elliot Bank,	William A. Howe,	R. L. Day, . .	\$300,000
97 State-street,	Howard Banking Co.,	Daniel C. Baker,	Stephen Bartlett,	500,000
40 State-street,	National Bank,	John H. Wilkins,	Charles B. Hall, .	300,000
18 Exchange-street,	Webster Bank,	William Thomas,	Solomon Lincoln,	1,500,000
South Boston,	Broadway Bank,	Isaac Adams,	Hornace H. White,	100,000

Fifty dollars per share on the capital of the Howard Banking Co., were payable on 23d August. The balance payable on the 7th of September.

The Webster Bank commenced regular business on Wednesday, August 17, and its bills are already in circulation. The bills of all denominations bear in the centre a large portrait of Daniel Webster, extending the entire width of the bill. The portrait, we understand, was engraved in New York, and resembles Mr. Webster, but cannot be regarded as a likeness. It has but little of Mr. Webster's expression. The twenties also bear a fine engraving of Faneuil Hall, and the fives and tens, of Bunker Hill Monument. No denomination under five has yet been issued.

The Mechanics' Bank have also just issued new bills of the denominations one, two, three and five. They are engraved by the New England Bank Note Company, and are very fine specimens of artistic skill. The portrait of Webster on the fives is much better than that on the Webster Bank bills, and is among the best likenesses of the great statesman.

**Boston.**—The National Bank at Boston commenced business on Monday, August 1st. The bills of this bank are fine specimens of the art of engraving, and are novel in their design. To prevent alteration, the vignette of the one dollar bills bear on the face one gold dollar, and also exhibit the figure of one man, an emigrant, felling trees. The twos have upon the face of the vignette two gold dollars, and two figures, a haymaker and a milk maid. The threes have three gold dollars, and three male figures, a blacksmith, a sailor, and a farmer. The fives bear on the face five gold dollars, with a vignette quite fanciful in its design; on the one hand, a hunter pointing towards a train of cars in the distance; to the left, an Indian with his native wilds in the background, and between, three angel figures representing the arts and the flight of time. The effect of the whole is most excellent, and the dollars on the vignette, it is thought, will be an effectual check to alterations.

**Roxbury.**—Samuel Little, Esq., of Hingham, late receiving teller of the Bank of Commerce, Boston, has been elected Cashier of the new Rockland Bank, at Roxbury, Mass.

**MICHIGAN.**—The charter of the Erie and Kalamasoo Rail-Road Bank, at Adrian, has been purchased by new parties, and the institution is now in active operation. President, A. J. Comstock; Cashier, A. Parker.

**CONNECTICUT.**—The Bank of New England has been established at Goodspeed's Landing, East Haddam, under the free banking law of Connecticut. Capital, \$100,000. George E. Goodspeed, Esq., President; O. B. Arnold, Esq., Cashier. The bills have a vignette view of Goodspeed's Landing, and a portrait of Judge Storrs.

**Hartford.**—The Charter Oak Bank will be established at Hartford, under the free banking law of Connecticut, and will commence business in October next. President, Charles T. Hillyer, Esq. Capital, \$250,000.

**Bank Stocks in Connecticut.**—The State of Connecticut holds 3,786 shares of bank stock, worth, at par, \$406,000; the dividends on which for the past year, were \$88,553, viz.:

<i>Banks.</i>	<i>Shares.</i>	<i>Par.</i>	<i>Amount.</i>	<i>Dividends.</i>
Hartford Bank, . . . .	1,650	100	\$165,000	\$16,500
Phenix Bank, . . . .	1,390	100	139,000	10,980
New Haven Bank, . . . .	274	200	54,800	4,982
Middletown Bank, . . . .	598	100	59,800	5,651
Farmers and Mechanics' Bank, . . . .	49	100	4,900	490
	<hr/> 3,786		<hr/> \$406,000	<hr/> \$88,553

**CONNECTICUT BANKS.**—The *Hartford Courant* furnishes the annexed summary in reference to the Banks of Connecticut:

The Joint Standing Committee on Banks were, by a vote of the Legislature, made a Joint Select Committee to examine into the new Banks created under the general law, and report concerning the character of the securities which they had deposited in the Treasurer's Office, and concerning their general situation. This report commands highly the system of accounts which the Treasurer has adopted and the manner in which he has perfected its details. The committee find the securities correct, and properly cared for in the Treasurer's Office. The plates are all very skillfully and tastefully executed, and are preserved in the office, except when needed for printing. Their expense was paid for at first from the State Treasury, but has been met by remittances from the Banks.

The Committee did not feel themselves called upon to investigate the value of these securities, as that is a duty imposed once a month, on the Treasurer and School Fund Commissioner.

There had been five Banks organized under the General Banking Law up to March 31st—the Ucas Bank at Norwich, capital \$100,000, increased to \$200,000; Bank of Hartford County, Hartford, capital \$200,000, increased to \$400,000; Bank of Commerce, New London, capital \$150,000; Bank of Litchfield County, at New Milford, capital \$100,000; Saugatuck Bank at Westport, capital \$100,000. These banks have deposited \$455,199, in Virginia, Kentucky and Maine State Bonds, and in bonds of Connecticut cities—the last item is \$278,200. The circulation on these securities was, on the 31st of March, \$452,766, of which the Hartford County Bank has out \$231,978. Since that statement, an additional deposit has been made of \$27,500. The expenses of the Banking Department during the year have been \$4,114 44, chargeable to the Free Banks.

During April and May, four new Banks have been organized: Quinipiack Bank at New Haven, capital \$500,000; Bank of New England, East Haddam, Citizens' Bank, Waterbury, Shetucket Bank, Norwich, each with a capital of \$100,000, and they have generally commenced operations.

The Bonds of the Connecticut Cities, used as a basis for Bank circulation, are, Hartford \$150,000, (employed by Hartford County and Litchfield County Banks;) New Haven, \$1,000; Norwich, \$26,700; New London, \$75,000; Bridgeport, \$25,500. Of the Bonds of the States, there are, Maine, \$2,000; Virginia, \$140,000; Kentucky Sixes, \$30,000; Kentucky Fives made equal to Sixes, \$4,999.

The Connecticut House of Representatives has passed the following bill:

"The Bonds which may be given for the money so borrowed, or any part thereof, may, at the option of the Directors, BE MADE CONVERTIBLE INTO THE CAPITAL STOCK of said Company at par, at such time and in such manner as may be prescribed by such Directors and specified in said Bonds."

**SOUTH CAROLINA.**—The Bank of Newberry has been organized, under a charter granted by the last legislature. President, B. D. Boyd, Esq., of Charleston, formerly Cashier of the Commercial Bank, Columbia.

**LOUISIANA.**—The charter of the Mechanics and Traders' Bank of New Orleans having expired, the stockholders have organized a new association under the new general law of Louisiana.

The new constitution of Louisiana forbids the charter of any bank in that State, except under general laws. Although the old banks are thus gradually closing their

concerns, the legislature has recently revived the charter of the Citizens' Bank, which suspended in 1837 and 1842, and has since been in a state of suspension and winding up its affairs. By virtue of the new act, the bank is authorized to convert shares secured by mortgage into cash shares; and the following notice has been issued by order of the Board:

*Citizens' Bank of Louisiana*, New Orleans, July 26, 1853.—Notice is hereby given, that books of subscription for 10,000 shares cash stock of the Bank, of \$100 each, will be opened at the office of the Bank, corner of Royal and Customhouse streets, on Monday, the 5th day of September next, under the superintendence of the Board of Directors; and subscriptions for the whole or any part of said stock will be received during thirty days, between the hours of 10 A. M. and 2 P. M., commencing on said 5th day of September, and ending on Saturday, the 8th day of October next.

By order of the Board.

E. ROSKAU, Cashier.

*The Bank of England*—The Bank of England makes a weekly return of its condition. The last report received, (dated June 9,) shows an average in circulation £927,743; private deposits, £967,256; loans, £610,646; bullion, £309,387; as compared with the prior week, and a decrease of public deposits, £970,958; reserve £532,018.

To show the condition of the bank, as compared with the last, we annex items of both dates.

<i>Liabilities.</i>	<i>April, 1852.</i>	<i>June 9, 1853.</i>	<i>Assets.</i>	<i>April, 1852.</i>	<i>June 9, 1853.</i>
Capital, . . .	£14,558,000	£14,558,000	Government debt, .	£11,015,100	£11,015,100
Reserve, . . .	8,094,923	8,106,195	Government securi-		
Public deposits, .	8,265,255	4,685,454	ties, . . .	18,895,779	18,124,653
Other deposits, .	13,906,918	12,920,639	Other securities, .	11,086,881	14,683,359
Seven day and other			Miscellaneous securi-		
bills, . . .	1,166,806	1,890,028	ties, . . .	2,984,900	2,984,900
Notes in circulation,	22,055,950	28,423,435	Coin and bullion, .	19,560,273	18,353,984
<b>Total liabilities,</b>	<b>£58,042,888</b>	<b>£60,010,946</b>	<b>Total assets,</b>	<b>£58,043,382</b>	<b>£60,010,946</b>

From the total notes issued, £31,790,405, we deduct notes on hand, £8,366,970; leaving in actual circulation, £23,423,435. From this, it would seem that the bank has £8,366,970 more on hand than there is an actual demand for.

**PENNSYLVANIA BANKS.**—The "Philadelphia Ledger" comes to the conclusion that that city has an abundance of bank capital, and that no further bank charters should be granted by the legislature:

"We sometimes see it asserted, that there is 'a miserable lack of banking capital' in this State; and yet we think it would puzzle those who thus assert, to point to any substantial evidence of the fact. The rate of interest is as low here as it is at Boston or New York, where the number of banks, and the amount of banking capital, is much greater; and, as to wholesome enterprise, no one, we think, will pretend that that is not sufficiently stimulated. Indeed, in the opinion of many sage and sagacious observers of the tendency of the times, enterprise is too much stimulated; and if less credit would check it, the sooner the reduction is made the better. We know that there are some men, who are always complaining of a scarcity of money, and railing at the banks and the policy of the State, as the cause; when, in truth, many of them could not command a thousand dollars, if there was a bank at every corner, and the rate of interest down to three per cent.; for the simple but sufficient reason, that *they have nothing to give for it*. Men in good credit can borrow in Pennsylvania any reasonable amount of money, at almost any time; and those that are not, have no right to expect such a thing. There is a great mistake in the public mind, that banks make money plenty and cheap. They just as often contribute more directly to make it scarce and dear, as the 'Ledger' has often demonstrated. We repeat, sound and healthful business requires no more banks and no more banking capital in this State; and the people, at their primary meetings for the selection of candidates for the legislature, should not omit to make their sentiments known on the subject."

To show the contrast between Philadelphia and her sister cities, New-York and Boston, we annex tables of the bank capital, loans, circulation, &c., of each.

	<i>Capital.</i>	<i>Circulation.</i>	<i>Loans.</i>	<i>Specie.</i>
New-York, . . . .	\$41,600,000	\$9,200,000	\$101,000,000	\$9,000,000
Boston, . . . .	24,600,000	8,300,000	44,000,000	2,700,000
Philadelphia, . . . .	10,700,000	6,000,000	24,000,000	4,000,000

These returns would serve to show, that Philadelphia is not, as the "Ledger" states, "fully provided with banking facilities."

The Philadelphia "North American," on the contrary, asserts, that "while the wants of our (Philadelphia) business community are cramped for the lack of the requisite banking facilities, and the State Government occasionally diminishes what we have of actual capital by (State) loans, the Government obstinately refuses all applications for charters for additional banking capital, and even seems reluctant to renew the charters already existing. Our banking capital is ridiculously inadequate to the wants of the community; and the unavoidable consequence is, that while the enterprise of other commercial cities has ample scope and backing for its operations, our business concerns are embarrassed at every turn; and even our most substantial men are sometimes refused at a bank, because the institution cannot accommodate all its customers."

What is wanted in Philadelphia, to enable her to grow as rapidly as New-York, is clearly an increase of banking capital, and a more liberal rate of interest. We attribute the prosperity of New-York, in a large degree, to its encouragement of bank capital, and the introduction of foreign capital, aided by the law which enables corporations to charge seven per cent. interest on loans. Our last bank returns show the deposits on hand as upwards of eighty-one millions of dollars, on account of individuals and foreign banks, while at Philadelphia the deposits and bank balances were only twenty-one millions of dollars. Pennsylvania is now in the market for a loan at five per cent. Their own banks and capitalists cannot furnish it. They must rely for such upon New-York and London.

**THE NOTARY'S MANUAL.**—Several typographical errors occurred in the August No. of the Magazine, which the careful reader will detect, viz :

Page 113, second line from the bottom, for *11th of February*, read *10th of February*.

" 114, fifth line from the top, for *2d of July*, read *1st of July*.

" 114, twelfth line from the top, for *thirteenth*, read *fourteenth*.

" 118, twenty-fifth line from the top, for *acceptance named*, read *acceptance waived*.

" 131, eighth line from the top, for *Ireland v. Rip*, read *Ireland v. Kip*.

" 137, last line, for *acceptance named*, read *acceptance waived*.

The law with regard to the maturity of bills and notes is well understood by Bankers generally, and therefore the above typographical errors will not mislead them.

It may, however, be proper to say, in a few words, that all bills and notes drawn payable *months after date*, without grace, will fall due on the same day of the month as when dated. And that in all bills and notes drawn payable *days after date*, the day of the date is of course omitted in the calculation as to maturity.

The conclusion of the Notary's Manual, by Mr. Roelker, will be contained in our next No. The Synopsis of Massachusetts' Decisions is concluded in the present No. Having finished this copious and valuable compendium, our space will be hereafter devoted to more miscellaneous topics.

## Notes on the Money Market.

New-York, August 26, 1853.

*Exchange on London, at sixty days' sight, 9 @ 9½ premium.*

The present month has exhibited remarkable fluctuations in the value of stock securities, and a much higher rate of interest than we recorded a month since. It has been difficult to negotiate loans on call during the last four weeks at less than eight per cent. This may be named as the minimum value of money outside the banks; while few loans have been made even at that rate. Prime business paper has been sold at 8 to 9 per cent., and loans on call, with stock collaterals, range from 8 to 12 per cent.

The new law of the State of New York, requiring the publication of weekly returns from our city banks, has induced them generally to curtail their discount line, and thus a large amount of offerings has been rejected and thrown into the hands of private capitalists. As a general result, the deposits are reduced thereby. Since the 11th of June, the loans of the banks are reduced about \$2,000,000, and their deposits about \$3,000,000.

The scarcity of money has reduced, temporarily, the rates for sterling bills from 9½ to 8½ and 9. During the month, bankers' bills on London have been sold as low as 9 per cent. premium, and good commercial bills at 8 to 8½. The rates have now advanced again, and the quotations for bankers' drafts are firm at 9½ a 9½.

Since our last monthly report of stock operations, there have been frequent fluctuations in the market values of nearly all the securities that are offered, particularly in the fancy stocks. We note a decline generally to a small extent in State loans and City loans, and a greater depression in rail-road and coal stocks and bonds.

Owing partly to the notice of the Treasury Department, a copy of which will be found in our present number, the government six per cent. loans of 1867-8 have advanced from 120½ to 122, and the five per cents from 108½ to 109. Pennsylvania State five per cents have declined 1; Kentucky six per cents, 1½; Illinois, 1½ to 2; Missouri, ¾; Georgia, 2; California seven per cents, 1½ to 2.

We note a decline in Philadelphia City loans, 1½ per cent.; Baltimore City, 2; New Orleans, 1; Jersey City, 1; Pittsburg, 2½; Wheeling, 2.

Rail-road bonds range from 2 to 5 per cent. less than at the end of last month. Our stock list on this month's cover will show a decline in Erie 1 per cent. bonds, 1½ to 2½; Hudson River Rail-Road, 1; Reading Rail-Road, 4½; Michigan Central Rail-Road, 1½ to 2; Northern Indiana, 4 to 4½.

In rail-road stocks the decline is still greater in this market. Baltimore and Ohio shares have fallen 10 to 11; Cincinnati, Hamilton and Dayton, 2½; Cleveland, Columbus and Cincinnati, 4 to 5; Cleveland and Pittsburg, 5 to 6; Erie, 4 to 6; Harlem, 4 to 5; Hudson River, 4 to 5; Madison and Indianapolis, 8 to 4; Michigan Central, 8 to 8½; Michigan Southern, 4 to 5; Northern Indiana, 8 to 8½; New York Central, 2½ to 3; Panama, 4 to 6; Reading, 6 to 8; Rome and Watertown, 6 to 8.

This decline is not the result of any loss of confidence in the securities—the decline is a general one, observable in nearly all that are brought forward for negotiation. It is attributable to the higher rate of interest prevailing in Wall-street, and to the increased difficulty of negotiating "loans on call" and business paper.

The large business now doing by the companies quoted, their general good management, and their dividends, all point to these securities as favorable investments. Many of them pay from 8 to 12 per cent. dividends, with a prospect of still larger profits, thereby entitling them to a premium in the market of 20 to 40 per cent. Rail-road interests and the holders of rail-road securities are the principal sufferers from the present stringent condition of the money market.

There is a marked decline in the fancy stocks of the day, in which we enumerate the various coal companies, mining companies, and a certain class of rail-road shares. The sales at the Stock Board during the present month have been largely on time, thus showing that the sellers and buyers are mere speculators, and operating according to their anticipations of the market for the next sixty days.

The inquiry is frequently made—*What will be the effects of the new bank act of New York?*

In reply we can say, that the *immediate* effects are seen in the condition of the money market of Wall-street during the last eight or ten days. The banks have been compelled, in self-defence, to fortify themselves—each to make the best possible show that it can for the public eye. In doing this, each institution has felt itself called upon to curtail its loans to a certain extent, and the aggregate condition of the whole, for the present time, will show a slightly diminished line of discounts on the same amount of capital.

Eventually, the effect of the law will be a good one, in producing more uniformity of action on the part of all our city banks. They will be equally as desirous of making a favorable show in January as in March or April. There will be no expansion during two months of the year, preliminary to a contraction in the third month, in preparing for a quarterly report.

But what the banks and the mercantile community both want in the premises, is *stability in the laws*. The banks can well say upon this subject, as a noted senator of Rhode Island said in reply to a question propounded by an anti-tariff member in the Senate of the United States, as to the effect of the tariff upon Rhode Island. "Gentlemen, you may frame any law you please on the subject, and Rhode Island will assent: *provided you let us alone for twenty years afterwards.*"

So it is with banking. The community will soon adapt itself to the workings of a new law; but it is in the perpetual changes that are prompted and carried by legislators, which keep commercial men and capitalists in a ferment. The act of April, 1853, will be acceptable to our banks, if the legislature will let the subject alone for a few years, so as to give to bankers a chance to learn fully what the law is, and adapt their movements to it accordingly.

The operations of the city banks are now upon so large a scale that a clearing bank is shown to be absolutely necessary for the convenience, safety and economy of all these institutions. The average daily receipts of all the banks are estimated at over eighty millions of dollars. Of this large sum it is believed that at least three fourths, or sixty millions of dollars, go through the daily exchanges. A preliminary meeting of delegates of the city banks was held on the 28d inst., at the Merchants' Bank, for the purpose of consultation upon a system of exchanges. Above forty banks were represented at the meeting, and it was conceded by all that some plan, and that a speedy one, is essential for the convenience, security and economy of all the city banks, whereby the exchanges can be made daily, and balances settled.

By appointing some one Wall-street institution to act as clearing house, or by the selection of an appropriate room in Wall-street, where the bank exchanges can be made at a fixed hour or hours daily, much trouble could be avoided. It would likewise do away with at least fifty accounts in each bank, thus dispensing with over two thousand five hundred accounts in the aggregate. It would be a great saving of labor, vexation and trouble to each institution, as well as to their customers, whose business at the bank is seriously interrupted by the delay arising from the exchanges at the bank counters every day.

There is little or no diminution of imports from abroad. The indebtedness of our merchants to Europe is increasing rapidly, and is fast assuming a shape that portends trouble to themselves and to our monied institutions. The receipts of costly goods from England and from the continent are larger than ever before witnessed in this country, and although the resources of the States are great and becoming greater, yet the foreign indebtedness is increasing in a ratio greater than our exports authorize. The consequence is, that gold is leaving us at the rate of four millions per month, and the amount of loans on American sureties in Europe is becoming larger every month. The exports of coin for the past eight months from New York have been \$18,768,567, against \$18,581,841 in the same period of 1852, viz:

January, . . . . .	\$747,679	May, . . . . .	\$2,162,467
February, . . . . .	1,121,020	June, . . . . .	3,264,282
March, . . . . .	592,479	July, . . . . .	3,924,612
April, . . . . .	767,055	August, . . . . . (4 weeks,)	1,188,978

The following is the official return of coinage at the U. S. mint, Philadelphia, for the first seven months of the present year:

GOLD.		January.	February.	March.	April.
Double Eagles, . . . . .		\$4,024,460	\$2,800,800	\$4,964,660	\$4,251,800
Eagles, . . . . .		114,600	202,880	....	237,060
Half Eagles, . . . . .		187,880	....	....	312,480
Quarter Eagles, . . . . .		289,774	129,715	271,015	148,745
Dollars, . . . . .		292,674	298,435	458,188	460,045
Total, . . . . .		\$4,809,888	\$3,981,280	\$5,693,808	\$5,305,080
Silver, . . . . .		98,750	108,800	168,800	419,008
Copper, . . . . .		8,860 79	9,000 81	4,181 26	2,511 54
		\$4,906,998 79	\$3,041,580 81	\$5,861,789 26	\$5,726,593 54
DEPOSITS.					
Gold Bullion from California, . . . . .		\$4,917,000	\$2,517,000	\$7,440,000	\$4,786,000
“ from other sources, . . . . .		45,500	81,000	70,000	80,000
Silver, . . . . .		14,000	13,560	22,000	2,550

	May.	June.	July.
Double Eagles, . . . . .	\$1,803,400	\$529,480	\$1,004,560
Eagles, . . . . .	185,850	217,770	208,600
Half Eagles, . . . . .	181,725	258,785	215,000
Quarter Eagles, . . . . .	508,870	826,565	208,040
Dollars, . . . . .	644,161	172,494	66,276
<b>Total,</b> . . . . .	<b>\$2,828,506</b>	<b>\$2,005,034</b>	<b>\$1,696,476</b>
Gold, Bars, . . . . .	2,296,716 11	2,769,211 51	2,762,993
Silver, . . . . .	610,004	650,000	710,000
Copper, . . . . .	9,120 19	8,667 82	1,832
	<b>\$5,739,846 80</b>	<b>\$5,427,912 88</b>	<b>\$5,171,301</b>
<b>DEPOSITS.</b>			
Gold Bullion from California, . .	\$4,400,000	\$4,473,000	\$3,459,000
“ from other sources, . . . .	25,000	60,000	82,000
Silver, . . . . .	1,447,000	678,000	611,000

The High Court of Errors of Mississippi have affirmed the decision of the Chancellor, involving the legality of the Mississippi Union Bank bonds; and that no action of the legislature, or vote of the people, can affect the question. Each judge of the Court of Errors delivered a separate and elaborate opinion, represented to be able and convincing, covering the whole ground in dispute, and meeting and refuting all legal (and legal ones only have been started) points that have been heretofore urged in opposition.

A full statement of the case, showing the origin and progress of the dispute, and showing, also, the amount involved, may be found in our last volume, pp. 235, 420, 434, 491, 497 and 529.

The advices from London show a marked increase in the value of money in England. The present minimum rate of interest charged by the Bank of England is  $3\frac{1}{2}$  per cent: and the prospect is that this rate will be advanced to 4 or  $4\frac{1}{2}$  before the end of the year. Such is the extraordinary demand for labor, and at advanced wages, following the gold discoveries of Australia and California, and arising from the vast emigration to those regions, that every department of trade and manufactures evinces great activity and successful operation. The United States partake largely of this increased demand for goods, the result of which is general prosperity throughout the country, North and South, East and West.

#### DEATHS.

At West Cambridge, Mass., on Tuesday, July 26th, JONATHAN CALL, Esq., aged sixty-six years, for many years Cashier of the State Bank, Boston, until 1851.

At Gilmanton, N. H., Col. DANIEL M. GALE, aged forty-four years, Cashier of the Belknap County Bank, Meredith Bridge, N. H.

THE  
BANKERS' MAGAZINE,  
AND  
Statistical Register.

VOL. III. NEW SERIES.

OCTOBER, 1853.

No. IV.

BANKING IN THE UNITED STATES.

*Banks and Banking in the United States, by Henry F. Baker, of Cincinnati, Ohio. Boston: published by Ticknor, Reed & Fields, 8 vo., pp. 56.*

THE author enters into an examination of the safety fund system of New-York, the banking system of Massachusetts, the banking system of Ohio, and compares their operation with that of the free banking system now in use in New-York, with general remarks upon banking as pursued throughout the United States. Of the New-York banking system, or its abuses, the author remarks:

"Free Banking" is a popular scheme when contrasted with that of "chartered monopolies." The privileges are open to all who choose to avail themselves of them, and no matter what the reputation of the individual may be, or the character of the association, if the former can furnish \$50,000, or the latter \$100,000 in State stocks and mortgages, each can establish a bank and enjoy all the privileges that acknowledged wealth, high reputation, or perfect integrity can command. The individual may be a stranger from a distant region, without the slightest interest in the community where his bank is located, yet with the requisite securities he can demand of the comptroller or superintendent the bank notes therefor, and commence his financial operations without any hindrance. The bank itself may be located in some remote point, out of the range of ordinary travel, and its manager a resident of some commercial city, devoting his energies to the business of circulating his notes, and supplanting the issues of more substantial banks, who are transacting a legitimate business. A merely nominal amount of discounts and deposits is returned in technical compliance with the law; and in the place where the bank is located, some adroit agent represents president, directors and cashier, by virtue of a power of attorney. No facilities are rendered to the trading community, nor are the public in any way



benefited by the banks, but on the contrary are subjected to the discount, at which the bills are redeemed by the owner in the place of his residence; this discount being less than the cost of obtaining the specie from the place where the bank is nominally located. By adroit management, a considerable amount of brokerage may be made on the redemption of these bills, which are again put into circulation at some distant point, and again redeemed so long as money is abundant. Aided by similar establishments in Indiana, Illinois and Missouri, the combined forces may derive a large emolument from this business of circulation and redemption, levying a discount on the community until a protracted pressure occurs, the currency is driven home for the coin, and the whole concern suspends payment, and the community are compelled to await the sale of the securities for their partial reimbursement out of the scanty materials which the depreciated value of the stocks and mortgages may ultimately produce.

It has been previously remarked, that the safety fund system was found to be inadequate for the perfect protection of the community, and so far as the experience of New-York has furnished the evidence, we have the authority of the comptroller of the State, in 1849, that "the system was wholly inadequate for the object intended." But in Ohio, where the system is in operation, it is found to afford universal satisfaction. But the reason of this is, that the specie basis is interwoven as a main feature in the system, and the branches of the State Bank, as well as the independent banks, are required to have "at all times on hand in gold and silver coin, or their equivalent in value, one half at least of which shall be in gold and silver coin in its vault," an amount equal to at least thirty per cent. of the amount of outstanding notes of circulation. Accordingly, in their last reports, the banks return \$3,854,000 specie fund, against a circulation of \$11,400,000, or more than thirty-four per cent., besides a safety fund of \$875,000.

Of the multiplication of banks throughout the country with small capitals and large circulation, Mr. Baker remarks:

The multiplicity of small banks is a great and increasing evil. There are in the United States more than one thousand banks of circulation. They have, on the average, five directors each, and consequently, there are five thousand individuals of different minds and pursuits, to control the management of nearly \$275,000,000 of banking capital, in the various parts of the country, and thereby protect their own interests, as well as those of their friends who look to them for aid. It is impossible to suppose that in such a diversified management there should not be a large share of selfishness, favoritism, rivalry and contention; and it is a matter of surprise that more discordant views should not prevail, rather than that there should be so much harmony of purpose, and unity of action. It would be natural to suppose that mere local interests would occasion constant turmoil, and, above all, that sectional jealousies would create as much clashing in the financial world, as they do in political circles. But it is not so; for the rate of exchange regulates the movements of the banks in the different sections of the country, and compels them all to keep near the standard value of gold, or be discredited in their circulation.

It is maintained, however, that it is not only equitable, but indispensable, that there should be small banks in the country towns, as well as large ones in the cities, to supply the wants of the small traders, as well as the wealthy merchants or manufacturers, and that all have equal rights. This may be admitted, but as it can be shown that the small banks enjoy greater advantages in the extent of their circulation, it is but fair that they should be classified and allowed only their due share of the circulation, as in perilous times they are mainly dependent on the larger banks for succor. In Massachusetts, for instance, the country banks have in circulation seventy-two per cent. of the capital, while the city banks have only thirty-four per cent.; and as the circulation constitutes a large share of the profits of banking, it is evident that the small banks enjoy the greatest advantages. In the important matter of representation, we classify our smaller towns into districts, and allow them only their proportion in our legislative assemblies; why should not a corresponding apportionment be adopted in the distribution of bank charters, so intimately affecting the interests and prosperity of the whole community?

The banking system of every country and of every State is liable to abuse ; we have seen this in the recent instances of failure of two banks in the sober State of Connecticut. Of these swindling schemes the author says :

It may be asked, what is the remedy for these evils ! Some will maintain, that if the two banks which recently failed in Connecticut had been instituted under the free banking system of New-York, there could not have been the heavy loss now sustained. Neither would it have occurred under the restrictions of the specie basis, if these had been enforced. As it is useless to enact laws against burglary, if our police are not on the alert to detect the criminals and bring them to justice, so also it is in vain that commissioners are appointed to inspect the condition of banks, if they perform their duties imperfectly, and thus lull the community into fancied security. In the instances referred to, a single individual has, through the operations of these two banks, thrown the whole country into alarm, and embarrassed the circulation of both Eastern and Western notes, by the issues of worthless bank paper, and the banks in Connecticut have no reason to complain if their notes are discredited, when such palpable frauds can be perpetrated under charters granted by their Legislature, and of which there must have been an infringement, from the very commencement of these banking operations. It is only to be regretted that the entire loss did not fall upon the residents of the State, instead of being distributed throughout the Western country. We constitute, by our acts of legislation, bank notes as the currency of the country, and although they are not strictly a legal tender, yet the trader, mechanic or farmer, who should refuse to receive them in payment, could have but little to do with the community. Such being the case, the government which has authorized the currency is bound in good faith to require that it maintains its nominal value. It is made the representative of coin, and any deviation from this condition ought to be remedied by suitable remuneration to the sufferers, or at any rate corresponding penalties ought to be enforced. But where is there an instance that directors of fraudulent or irresponsible banks have been made amenable to the violated laws of the State !

The people of the Western States have a currency of their own ; in addition to which, the notes of many of the New England and New York banks are known to be distributed, with a view to their keeping out for a period of sixty days ; of this and the circulation of defaced bills the writer says :

There is another prolific source of many vexatious losses on bank notes in the Western States, arising from the intolerable usage of circulating defaced and mutilated bills. In the Eastern States, a torn bill is never paid out of the bank which originally issued it after it has been once returned, and hence there is at least a clean currency ; but in the West a really clean bill is rarely met with. This is miserable economy on the part of the banks themselves, in the first place ; and secondly, it materially aids the operations of counterfeiters, who, by soiling their own productions, manage to obliterate the defective part of their work, and thus elude a ready detection. It is not unusual to see parts of two bills, one half genuine, the other counterfeit, pasted together, and entering into the circulation without rejection. When such indifference exists, the only wonder is that more extensive frauds are not constantly perpetrated. If the banks would refuse to receive such trash on deposit, it might sooner find its way home, and induce the banks which issued it to favor the community with something better than filthy rags, and which are positively unsafe to handle. Indeed, there is no reason why a bank should be permitted to pay out mutilated currency, any more than clipped coin or light gold ; and if the best policy was adopted, banks would never pay out the same bills after one round of evident service, but issue new paper. The Bank of England never pays out its notes a second time, even though the bills have never passed out from their enclosure, and the engraving of these notes is so severely simple, that counterfeits are rarely seen and immediately detected. Their lowest denomination is five pounds, and we might ad-

vantageously copy them in this country by restricting the issues of our own banks to the lowest denomination of five dollars, thereby distributing throughout the community a larger supply of silver and gold, and defeating the counterfeiter in his frequently successful attempts to alter our small notes into those of a larger denomination.

The author arrives at the conclusion that the free banking system does not afford that security which the community requires. His remarks are as follows :

We reiterate, that gold and silver are the only conservative power which we have to regulate the state of our currency, and to prevent that ruinous inflation, in which our banks would indulge, but for this check upon their issues. All other kinds of property have a fictitious value, which, in periods of continued prosperity, is enhanced beyond the limits of reason or common discretion. At such times the banks themselves aid the popular delusion, by stretching their utmost spread of canvas to court the favoring breeze ; but when caught aback, are the most alarmed at the perils which they are sure to encounter. Instead of becoming auxiliary to others, they but increase the panic and aggravate the troubles which foresight might have prevented. Our experience has shown, that the contraction which succeeds an uninterrupted course of prosperity is more disastrous than if the community had never enjoyed any bank extension. If the effect of these fluctuations was confined to the speculators who originated them, there would be little to excite public anxiety or sympathy ; but the misfortune is, that they reach the industrial classes of society, and all who are dependent on their daily labor for the means of support. When the banks fail to redeem their circulation, it is not the merchant, the manufacturer or the large trader who are the sufferers—their funds are in safe deposit ; but the laborer, the artisan and the small dealer, who receive their ten and twenty dollars per week, who are despoiled of their hard earnings. It is not, therefore, surprising, that among those classes of society there should exist a jealousy of banks, when they are always in jeopardy from bankrupt or counterfeit notes, since, in the interior, most of them are unacquainted with the character of the currency which is proffered them in payment. For one, we have for a long time entertained the opinion, that no bank should be allowed to issue a bill of a lower denomination than five dollars, and, after a reasonable interval, none under ten ; and this regulation would supply the country with gold and silver, which the aggregation of wealth is quite sufficient to furnish. We should then accumulate a stock of coin in the hands of the people, large enough to aid the banks when a foreign demand drained us of our specie, and which would not last beyond a single season, and thus prevent those dreaded periods of panic which have engulfed so many substantial fortunes by their sudden advents and ruinous effects.

## A MANUAL FOR NOTARIES PUBLIC,

CONTAINING A SUMMARY OF THE LAW OF BILLS OF EXCHANGE, PROMISSORY NOTES, &c., WITH FORMS OF PROTEST, NOTICE OF PROTEST, &c.

By BERNARD ROELKER, A. M., OF THE BOSTON BAR.

### PART III. AND CONCLUSION.

- I. *Checks on Banks and Bankers.*—II. *Forms of Protest and Notice of Protest.*—  
III. *Damages on Protested Bills of Exchange, according to the Statutes of the several States.*—IV. *Grace on Sight Bills.*—V. *Fees of Notaries Public.*

(Continued from page 166, August No.)

## CHAPTER X.

## CHECKS ON BANKS AND BANKERS.

A CHECK is a written order or request addressed to a bank or a private banker, by a person having money in their hands, requesting to pay to another person, on presentment, or to him or bearer, or to him or order, a certain sum of money specified in the instrument.

For instance :—

*Boston, 20th November, 1852.*

\$ 200.00.

To the Cashier of the New England Bank.

1. Pay to John White or bearer,
2. Or, Pay to Bearer,
3. Or, Pay to John White or order,
4. Or, Pay to John White, two hundred dollars.

(Signed),

HENRY BROWN.

In cases No. 1 and 2, the instrument may be transferred to any third person without any indorsement, and the holder of it may demand payment. In case No. 3, where it is payable to the order of a person, it must be indorsed by the payee in order to transfer it, and in the fourth case, where it is made payable to a particular person only, it is not negotiable. With large sums it is advisable to make checks payable to order, because, in case the check should be lost, it would not be paid without the indorsement of the payee, and the finder could not succeed in getting payment without forging the name. Moreover, the drawer of the check will then have the name of the payee on the back of the check as proof of his having received the money, as it is the custom of banks to require the indorsement of the person's name upon receiving the money, if the check is made payable to order.

Checks have often been compared to bills of exchange, and Mr. Justice Cowen, in *Harker v. Anderson*, 21 Wend. R. 372, went so far as to say, that they were to all intents and purposes bills of exchange payable on demand. But this has been doubted and denied both by Chancellor Kent and Mr. Justice Story. (See Story on Promissory Notes, § 489 and note 5.) Mr. Justice Story there says:—"The circumstances in which they principally differ from bills of exchange are,—1. They are always drawn on a bank, or on bankers, and are payable immediately on presentment, *without any days of grace*. 2. They require no acceptance as distinct from prompt payment. 3. They are always supposed to be drawn upon a previous deposit of funds, and are an absolute appropriation of so much money in the hands of the bank or bankers to the holder of the check, to remain there until called for, and cannot, therefore, be afterwards withdrawn by the drawer."

Although checks, generally speaking, do not say in express terms that they are payable *on demand*, yet they are still payable on demand in contemplation of law. Checks are frequently ante-dated, or post-dated,

but still they are payable on presentment, at any time after the date. For instance, if I draw a check on the 1st of January, but date it the 14th of January, it is payable on presentment on the 14th of January, or any day after it. This is frequently done when the drawer has no funds or not sufficient funds at the bank on the day he draws the check, but expects to have some against the day whose date it bears.

When the check is made payable on a specified day, for instance, if it is dated the 1st of January, 1852, and made payable on the 10th of January, 1852, the general understanding among banks is, that such a check is payable on the day specified, as, in the above case, on the 10th of January, *without days of grace*. It was so held by Justice Story in the matter of *Brown*, 2 Story's R. 502, where the checks were drawn on the Granite Bank of Boston, dated on a particular day, and were payable on another specified day. In the case of *Brown v. Lusk*, 4 Yerger's R. 210, it was held, that a check drawn in Nashville, on the Branch Bank of the United States at Nashville, on the 13th of December, 1827, payable to A. B. or bearer, on the 14th of January following, was an inland bill of exchange, and entitled to grace. But Judge Story does not approve of this decision in the above-cited case of *Brown*. And Chancellor Kent, in his Commentaries (4 Kent's Comm. p. 549, note, 4th edit.) says: — "A check differs from a bill of exchange in this, that it has no days of grace, and requires no acceptance distinct from prompt payment. The drawer of a check is not a surety, but the principal debtor, as much as the maker of a promissory note. The check is the acknowledgment of a certain sum due. It is an absolute appropriation of so much money in the hands of his banker to the holder of the check, and there it ought to remain until called for, and unless the drawer actually suffers by delay, as by the intermediate failure of his banker, he has no reason to complain of delay not unreasonably protracted. If the holder does so unreasonably delay, he assumes the risk of the drawee's failure, and he may, under circumstances, be deemed to have made the check his own, to the discharge of the drawer. But this is quite distinct from the strict rule of diligence applicable to a surety, in which light stood the indorser who has a right to require diligence on the part of the holder, to relieve him from responsibility. It is true, however, that there is so much analogy between checks and bills of exchange and negotiable notes, that they are frequently spoken of without discrimination."

But in the case of *Bowen* and others against *Newell*, decided in the Court of Appeals of New York on the 12th of April, 1853, and cited before, it was held that such a check is like a bill of exchange, and entitled to grace.

We have seen before, that a bill of exchange or a promissory note, taken after the day of payment, or when it is overdue, subjects the holder to all the equities attaching to it in the hands of the party from whom he receives it. But this rule does not apply to a check; for a check is not treated as overdue, merely because it has not been presented as early as it might be, and the holder has taken it some days after its date, unless he has notice of such equities at the time he takes it. Hence, a *bonâ fide* holder, purchasing a check several days after its date, for a

valuable consideration, is entitled to claim payment from the banker, and can hold the drawer responsible in case it is not paid, notwithstanding it has been obtained by fraud from the drawer. And if the drawer, or indorser, or transferrer of a check, has issued or passed it long after its date, he will be held liable to a subsequent *bonâ fide* holder thereof for a valuable consideration, without notice, notwithstanding the consideration upon which he has so issued or passed it has, as between himself and the person to whom he originally delivered it, entirely failed. (Story on Promissory Notes, § 491.) The drawer of a check is treated almost like the principal debtor, and is not discharged by any neglect or laches of the holder, in not making due presentment thereof, or in not giving him notice of the dishonor, unless he has suffered some loss or injury thereby, and then only in so far as he has suffered injury; as, for instance, if the bank should have failed in the mean time.

#### *The Rights and Duties of the Holder of a Check.*

The general rule is, that the holder of a check, if he will not lose his claims upon the drawer in case the check should be dishonored, is bound to present the same for payment within a reasonable time, and to give notice of the dishonor to the drawer within a reasonable time; otherwise the delay is at his peril. What is a reasonable time will depend upon circumstances, and will, in many cases, depend upon the time and the place of receiving the check, and upon the relations of the parties between whom the question arises.

If the payee or holder receives it in the same town or city where it is payable, he is bound to present it for payment, at farthest, on the next secular day after it is received, before the close of the usual banking hours. When he receives it at a place distant from the place of payment, it will be sufficient for him to forward it by post to the latter place on the next secular day after it is received; and the person to whom it is thus sent will not be bound to present it for payment until the day after it has reached him. If payment is not thus regularly demanded, and the bank or bankers should fail before the check is presented, the loss will be the loss of the holder, who will have made the check his own by his delay. (Story on Promissory Notes, § 493.)

If the check should have been passed to several holders, the drawer will not be bound beyond the time for which he would be bound to the first holder, namely, the next day after its issue. If, therefore, in the intermediate time, the bank or bankers should fail, and would have paid the check if it had been presented in due season, the loss must be borne by the holder, and not by the drawer.

Where a check is negotiable, and passes by indorsement or mere delivery, the same rule applies between the parties to the transfer, that applies between the drawer and the original payee of the check. (*Mohawk Bank v. Broderick*, 10 Wend. R. 304, and 13 Wend. 133.)

The drawer and every holder is liable to every subsequent holder only upon due presentment and dishonor of the check, within the time for which he would be liable if the check had been presented by the party

immediately claiming from or under him. (Story on Promissory Notes, § 496.) That is to say, the original drawer is answerable to his payee, and this one is liable to the person to whom he delivers it, and so on, if the time of presentment is observed as above stated. If, therefore, the check is dated the 1st of January, and delivered by A on that day to B, and B delivers it on the 2d of January to C, and C delivers it on the 3d of January to D, who presents it for payment on the 4th of January, all parties living at the place of payment, and the check be dishonored, the bank having failed on the 3d of January, A, the original drawer, would not be liable to make good that check to D, nor to B or C, provided he had suffered the loss of the whole amount of money for which the check was drawn in consequence of this delay. But C would be answerable to D, because D presented the check within a reasonable time as to C; but B would not be answerable to C, because C ought to have presented the check on the 3d at farthest.

But it must be borne in mind, that this rule applies only where, in the intermediate time between the drawing of the check and the presentment thereof for payment, there has been a change of circumstances materially affecting the rights and interests of the drawer in respect to the bank or bankers on whom the check is drawn; for instance, if the bank has failed after the time allowed for presentment, and the drawer has lost all his funds deposited with the bank.

But the drawer is in no case discharged from paying the check drawn, where his interests have not been impaired at all by the delay; if, for instance, the bank still remains in good credit and is able to pay the check, but the drawer has in the mean time withdrawn his funds, or if the drawer had no funds at the bank at the time the check was drawn. In these cases the drawer would be liable, although months had elapsed between the date of the check and its presentment for payment. The same rule applies to an indorser or transferrer of a check, in respect to subsequent holders. But if the drawer can show that, by the omission to make due presentment and give due notice of dishonor, he has sustained loss or injury, he will be exonerated in proportion to such loss.

We will add a few decisions which have been made in regard to checks, which may bring out points not apparent in the general rules laid down above.

A check made in New York, payable out of the State, in current bank-notes, is not negotiable. (*Little v. Phoenix Bank*, 2 Hill, 425, and 7 Hill, 359.)

The drawing of a check upon a bank is not a specific appropriation of the funds of the drawer to its payment, in preference to other checks subsequently drawn; that is to say, if A draws a check in favor of B, and afterwards draws several other checks in favor of different persons, who present their checks before B does his, and all the funds are thus drawn out, and the drawer fails, B, the first drawee, cannot claim on the ground of priority an appropriation of the funds in the bank at the time his check was drawn. (*Dykens v. The Leather Manufacturers' Bank*, 11 Paige, 612.)

The drawer of a check may countermand its payment at any time before its payment or acceptance by the bank. (*Ibid.*)

A post-dated check is payable on the day of its date, but if that day be Sunday, it is payable on Monday. (*Salter v. Burt*, 20 Wend. 205.)

Notice of the presentment and refusal to pay is necessary to charge the drawer. (*Harker v. Anderson*, 21 Wend. 372.)

The indorser of a check was held to be discharged when the holder delayed presentment for twenty-three days, the bank being about sixteen miles from him. (*Mohawk Bank v. Broderick*, 13 Wend. 133.)

So, where presentment was delayed for six days, the holder living in the place where the bank was. (*Gough v. Staats*, 13 Wend. 549.)

Where seven or eight days elapsed after the plaintiff received the check before presentment, the course of mail to the bank being only three days, it was held that, if he had not put it in circulation, the payee would have been discharged; but as he parted with it to another on the day he received it, and there was no proof of negligence in any subsequent holder, he recovered, the burden of proof in such case being upon the payee. (*Smith v. Janes*, 20 Wend. 192.)

## CHAPTER XI.

### FORMS OF PROTEST.

#### No. 1.—*Protest of a Bill on Non-acceptance.*

On the \_\_\_\_\_ day of \_\_\_\_\_ one thousand eight hundred and \_\_\_\_\_ I, R. B., Notary Public, duly admitted and sworn, dwelling in L., in the county of L., and State of \_\_\_\_\_, one of the United States of North America, at the request of C. D. of L., [or of "the holder," or "the bearer," as the case may be,] did exhibit the original bill of exchange, whereof a true copy is on the other side written, [or did cause due and customary presentment to be made of the original bill of exchange, whereof a true copy is on the other side (or above) written,] unto a clerk in the counting-house of E. F., the person upon whom the same is drawn, and demanded acceptance thereof, [or acceptance being thereupon demanded,] and he answered that it would not be accepted at present.

Wherefore, I, the said notary, at the request aforesaid, have protested, and by these presents do protest against the drawer of the said bill, and all other parties thereto, and all others concerned, for all exchange, re-exchange, and all costs, damages, and interest, present and to come, for want of acceptance of the said bill.

(Seal.)

Which I attest,  
R. B.  
Notary Public, L.



**No. 2. — Protest of a Bill on Non-acceptance, when the Drawee has neglected to leave Orders with his Clerks.**

On the ——— day of ———, [commence as in No. 1,] unto a clerk in the counting-house of E. F., the person upon whom the same is drawn, and demanded acceptance thereof, [or acceptance being thereupon demanded,] and he answered, that the said E. F. was not within, and had left no orders for the acceptance of the said bill.

Wherefore, I the said notary, [conclude as in No. 1.]

(Seal.)

Which I attest,  
R. B.  
Notary Public, L.

**No. 3. — Protest of a Bill on Non-acceptance, when the Drawee's Place of Business is shut up [and he is become bankrupt or insolvent].**

On the ——— day of ——— [commence as in No. 1] did take [or exhibit] the original bill of exchange [whereof a true copy is on the other side written] unto [or at] the counting-house of E. F., the person upon whom the said bill is drawn, in order to present the same, and to demand acceptance of it, and the door was found fastened, and there was no person there to give an answer, and I am informed that the said E. F. has been declared bankrupt [or has suspended payment, as the case may be].

Wherefore, I, the said notary, [conclude as in No. 1.]

(Seal.)

Which I attest,  
R. B.  
Notary Public, L.

**No. 4. — Protest of a Bill on Non-acceptance, when the Drawee cannot be found, or when there is no such Person.**

On the ——— day of ——— [commence as in No. 1] did make and cause to be made due and careful inquiries, at the ——— post-office, and in other proper quarters, for E. F., the person upon whom the said bill purports to be drawn, in order to have demanded acceptance thereof, but was unable to discover him, or to learn any tidings of him or of his residence.

Wherefore, I, the said notary, [conclude as in No. 1.]

(Seal.)

Which I attest,  
R. B.  
Notary Public, L.

**No. 5. — Protest of a Bill on Non-acceptance, when a Copy or a Memorandum of the Principal Contents of it has been exhibited in the Absence of the Original, and Acceptance has been demanded.**

On the ——— day of ——— [commence as in No. 1] did apply for the original bill of exchange, whereof on the other side a copy or the principal contents is or are written, unto a clerk in the counting-house of Mr. D. K., the person upon whom the same is drawn, and demanded acceptance of the said original bill, and I also demanded the delivery of

the said original bill, but he did not deliver up the same, and stated that Mr. K. had left the counting-house, and had [as he believed inadvertently] taken the said bill away with him, and that the same was not accepted.

Wherefore, I, the said notary, [conclude as in No. 1.]

(Seal.)

Which I attest,

R. B.

*Notary Public, L.*

**No. 6. — Protest of a Bill on Non-payment.**

On the ——— day of ———, [commence as in No. 1,] unto E. F. [or, as the case may be, unto a clerk in the counting-house of E. F.], the person upon whom the said bill is drawn, [and by whom the same is accepted, if the bill have been accepted,] and demanded payment thereof, [or payment being thereupon demanded,] and he answered, that it would not be paid.

Wherefore, I, the said notary, at the request aforesaid, have protested, and by these presents do protest against the drawer of the said bill, and all other parties thereto, and all others concerned, for all exchange, re-exchange, and all costs, damages, and interest, present and to come, for want of payment of the said bill.

(Seal.)

Which I attest,

R. B.

*Notary Public, L.*

**No. 7. — Protest of a Bill on Non-payment, when the House or Place where it is made Payable by the Acceptance is shut up, and no one is there to give an Answer.**

On the ——— day of ———, [commence as in No. 1; the protest ought to state the attempt to make the presentment for payment, by the bill's being taken to the place at which by the acceptance it is made payable,] did take [or exhibit] the original bill of exchange, whereof a true copy is above or on the other side written, unto [or at] the counting-house [or banking-house, as the case may be] of Messrs. E. F. and Company, where the said bill is made payable by the acceptance, in order to present the same and demand payment thereof, and the door was found fastened, and the place shut up, and there was no person there to give an answer [and I am informed that the said E. F. and Company have been declared bankrupt, or have suspended payment, as the case may be].

Wherefore, I, the said notary, at the request aforesaid, have protested, and by these presents do protest against the drawer of the said bill, and all other parties thereto, and all others concerned, for all exchange, re-exchange, and all costs, damages, and interest, present and to come, for want of payment of the said bill.

(Seal.)

Which I attest,

R. B.

*Notary Public, L.*

No. 8. — *Protest of a Bill for better Security.*

On the \_\_\_\_\_ day of \_\_\_\_\_, one thousand eight hundred and \_\_\_\_\_, I, R. B., Notary Public, duly admitted and sworn, dwelling in L., in the county of L., and State of \_\_\_\_\_, one of the United States of North America, at the request of C. D. of L. aforesaid, [or of the holder or the bearer,] did exhibit the original bill of exchange [whereof a true copy is above or on the other side written] at the counting-house of E. F., the person upon whom the said bill is drawn, and whose acceptance appears thereon, and did present the same unto a clerk there, and demand security for the payment thereof, when the same should become payable, in consequence of the said E. F. having become bankrupt, [or insolvent, or suspended payment,] and I received for answer, that security for the same could not be given by the said E. F., who has been declared bankrupt [or has suspended payment, as the case may be].

Wherefore, I, the said notary, at the request aforesaid, have protested, and by these presents do protest against the drawer of the said bill, and the acceptor and all the other parties thereto, and all others concerned, for all exchange, reëxchange, and all costs, damages, and interest, present and to come, for want of better security for the payment of the said bill, when due.

(Seal.)

Which I attest,  
R. B.  
Notary Public, L.

No. 9. — *Protest of a Bill on Non-payment, when the Original has been lost before Maturity, and a Copy or the Second of Exchange of the same Set is presented for Payment.*

On the \_\_\_\_\_ day of \_\_\_\_\_, one thousand eight hundred and \_\_\_\_\_, I, R. B., Notary Public, duly admitted and sworn, dwelling in L., in the county of L., and State of \_\_\_\_\_, one of the United States of North America, at the request of C. D. of L. aforesaid, did exhibit a copy of the original bill of exchange [or did exhibit the second of exchange], (whereof a copy is above or on the other side written,) unto E. F., the person upon whom the same is drawn, and by whom the said original bill [or the first of exchange of the same set] has been accepted, and which has been lost or mislaid, as I am informed, and the same being this day due, I demanded payment thereof, and the said E. F. answered, that he would not pay the same.

Wherefore, I, the said notary, at the request aforesaid, have protested, and by these presents do protest against the drawer of the said bill, and the acceptor, and all other parties thereto, and all others concerned, for all exchange, reëxchange, and all costs, damages, and interest, present and to come, for want of payment of the said bill, of which the original being lost, the said copy [or second of exchange] was exhibited in lieu of it, and payment demanded.

(Seal.)

Which I attest,  
R. B.  
Notary Public, L.

**No. 10. — *Protest of a Bill of Exchange for Want of Acceptance upon a Letter.***

On the — day of —, etc., Mr. A. B. of the city of London, produced unto me, I. M. of the said city, Notary Public, etc., a bill of exchange, whereof a true copy is on the side written, together with a letter signed C. D. for Messrs. E. and F., and dated at —, the — day of —, one thousand eight hundred and —, directed to the said Messrs. E. and F., and which he received by the post, wherein he says as follows: "Sir, yours of the — day of — instant, to Messrs. E. and F., is before me, covering Mr. G. L.'s bill of exchange, on them for \$ —; as said gentleman is from home, I have no orders to accept the said bill," [or as the case may be,] — which letter and answer not being satisfactory, I, the said notary, at the request of the said Mr. A. B. have protested, etc.

**No. 11. — *Protest of a Bill, by a Person resident in a Place where there is no Notary.***

On the — day of —, one thousand eight hundred and —, I, A. B., a substantial person, residing at N., in the county of —, at the request of the holder of a certain bill of exchange, whereof a true copy is on the other side written, did exhibit the said original bill of exchange unto Mr. — of N. aforesaid, the person upon whom the same is drawn, and demanded acceptance thereof, who answered that [here state his answer and refusal]. And I, the said A. B., do hereby certify, that there is no public notary practising in or near N. aforesaid. Wherefore, I, the said A. B., at the request aforesaid, and in the absence of and in default of a public notary at this place, have protested, and by these presents do protest against the drawer of the said bill, and all other parties thereto, and all others concerned, for all exchange, reexchange, and all costs, damages, and interest, present and to come, for want of acceptance thereof, in the presence of C. D. and E. F., both credible persons residing at N. aforesaid.

Which I attest,

A. B.

a house-keeper and a merchant [or a manufacturer, or an attorney-at-law, or banker, or hotel-keeper, etc., etc.] residing at N. aforesaid.

**No. 12. — *Act of Honor on Acceptance supra Protest by a third Person, for the Honor of the Drawer [or Indorser].***

On the — day of —, one thousand eight hundred and —, I, R. B., Notary Public, duly admitted and sworn, dwelling in —, in the county of —, and State of —, one of the United States of North America, do hereby certify, that the original bill of exchange, for five hundred pounds, of which a copy is above or on the other side written, (now protested for non-acceptance,) was this day exhibited [or exhibited by me] unto E. F., one of the firm of E. F. and Company, who de-

clared that the said firm would accept the said bill *supra* protest, for the honor of the drawer [or, of G. H., the indorser] ; holding the drawer [or, the said indorser and the drawer] and all other persons, responsible to the said firm for the said sum, and for all interest, damages, and expenses incident thereto ; I have, therefore, granted this notarial act of honor accordingly.

(Seal.)

Which I attest,  
R. B.,  
Notary Public.

**No. 13. — Act of Honor on Acceptance *supra* Protest, by the Drawee, for Part of the Amount, for the Honor of the Drawer.**

On the ——— day of ———, one thousand eight hundred and ———, I, R. B., Notary Public, duly admitted and sworn, dwelling in ———, in the county of ———, and State of ———, one of the United States of North America, do hereby certify, that the original bill of exchange for five hundred dollars, of which a copy is above [or on the other side] written, (now protested for non-acceptance,) was this day exhibited unto C. D., one of the firm of C. D. and Company, upon whom the same is drawn, who declared [or declared before me] that the said firm would accept the said bill *supra* protest for the honor of E. F. the drawer, for part thereof, namely, for the sum of three hundred dollars ; holding the drawer and all other proper persons responsible to them, the said C. D. and Company, for the last-mentioned sum, and for all interest, damages, and expenses ; I have, therefore, granted this notarial act of honor accordingly.

(Seal.)

Which I attest,  
R. B.,  
Notary Public.

**No. 14. — Act of Honor on Acceptance *supra* Protest, by a Firm of Third Persons, through the Medium of an Agent, for the Honor of the Drawers.**

On the ——— day of ———, one thousand eight hundred and ———, I, R. B., Notary Public, duly admitted and sworn, dwelling in ———, in the county of ———, and State of ———, one of the United States of North America, do hereby certify, that the original bill of exchange for five hundred dollars, of which a copy is above [or on the other side] written, (now protested for non-acceptance,) was this day exhibited [or exhibited by me] at the counting-house of the firm of C. D. and Company, who have declared [or, who have declared through their agent on their behalf] that the said firm would accept the said bill *supra* protest for the honor of E. F. and Company, the drawers, for part thereof, namely, for the sum of three hundred dollars ; holding the drawers, and all other proper persons, responsible to them, the said C. D. and Company, for the last-mentioned sum, and for all interest, damages, and expenses ; I have, therefore, granted this notarial act of honor accordingly.

(Seal.)

Which I attest,  
R. B.,  
Notary Public.

**No. 15. — Act of Honor, on Acceptance *supra* Protest by the Drawees, for Part of the Amount for the Honor of the Drawer, and for the Residue for the Honor of an Indorser.**

On the ——— day of ———, one thousand eight hundred and ———, I, R. B., Notary Public, duly admitted and sworn, residing in ———, in the county of ———, State of ———, one of the United States of North America, do hereby certify, that the original bill of exchange for five hundred dollars, of which a copy is above [or on the other side] written, (now protested for non-acceptance,) was this day exhibited unto C. D., one of the firm of C. D. and Company, upon whom the same is drawn, who declared [or declared before me] that the said firm would accept the said bill *supra* protest, for the honor of E. F., the drawer, for part thereof, namely, for the sum of three hundred dollars; and also that the said firm would further accept the said bill *supra* protest, for the honor of G. H., the first indorser thereof, for the sum of two hundred dollars, the residue of the amount thereof; holding the said drawer, and all other proper persons, responsible to the said C. D. and Company, for the said sum of three hundred dollars, and also for all interest, damages, and expenses; and also holding the said first indorser, and the said drawer, and all other proper persons, responsible to the said C. D. and Company, for the said sum of two hundred dollars, and for all interest, damages, and expenses; I have, therefore, granted this notarial act of honor accordingly.

(Seal.)

Which I attest,  
R. B.,  
Notary Public.

**No. 16. — Act of Honor, on Acceptance *supra* Protest by a Person merely as an Agent on Behalf of a Firm, for a Part of the Amount, and by the same Person in his individual Capacity for the Balance.**

On the ——— day of ———, one thousand eight hundred and ———, I, R. B., Notary Public, duly admitted and sworn, residing and practising in ———, in the county of ———, State of ———, and one of the United States of North America, do hereby certify, that the original bill of exchange for one thousand two hundred dollars, of which a copy is on the other side written, (now protested for non-acceptance,) was this day exhibited to Mr. R. W., the agent of the firm of G. G. and S., who declared that he would, as such agent, for and on behalf of the said firm, accept the said bill *supra* protest for eight hundred dollars, part of the amount of the said bill, for the honor of W. M. L., the drawer, and that he would accept the same *supra* protest individually for four hundred dollars, the balance of the said bill, for the honor of the drawer; holding the drawer, and all other proper persons, responsible to the said firm, and to him the said R. W. individually, in the aforesaid proportions, for the said sum, and for all interest, damages, and expenses; I have, therefore, granted this notarial act of honor accordingly.

(Seal.)

Which I attest,  
R. B.,  
Notary Public.

**No. 17. — *Act of Honor on Payment supra Protest, by a Firm of Third Persons, for the Honor of the Drawers and Indorsers.***

On the \_\_\_\_\_ day of \_\_\_\_\_, one thousand eight hundred and \_\_\_\_\_, I, R. B., Notary Public, duly admitted and sworn, dwelling in \_\_\_\_\_, in the county of \_\_\_\_\_, State of \_\_\_\_\_, one of the United States of North America, do hereby certify, that the original bill of exchange for five hundred dollars, of which a copy is above [or on the other side] written, (now protested for non-payment,) was this day exhibited unto C. D. of Liverpool, one of the firm of C. D. and Company, who declared [or declared before me] that the said firm would pay the amount of the said bill supra protest, for the honor of E. F. and Company, the drawers, and of G. H. and Company, the indorsers; holding the drawers and the said indorsers, and all other proper persons, responsible to them, the said C. D. and Company, for the said sum, and for all interest, damages, and expenses. I have, therefore, granted this notarial act of honor accordingly.

(Seal.)

Which I attest,  
R. B.,  
Notary Public.

**No. 18. — *Act of Honor on Payment supra Protest of Part of the Amount, by the Drawee through the Medium of an Agent, for the Honor of the Drawer.***

On the \_\_\_\_\_ day of \_\_\_\_\_, one thousand eight hundred and \_\_\_\_\_, I, R. B., Notary Public, duly admitted and sworn, dwelling in \_\_\_\_\_, in the county of \_\_\_\_\_, State of \_\_\_\_\_, one of the United States of North America, do hereby certify, that the original bill of exchange for five hundred dollars, of which a copy is above [or on the other side] written, (now protested for non-payment,) was this day exhibited [or exhibited by me] at the counting-house of the firm of C. D. and Company, upon whom the same is drawn, who have declared [or, who have declared through their agent or clerk on their behalf] that the said firm would pay the sum of three hundred dollars, part of the amount of the said bill supra protest, for the honor of E. F., the drawer; holding the drawer and all other proper persons responsible to the said firm of C. D. and Company, for the last-mentioned sum, and for all interest, damages, and expenses; I have, therefore, granted this notarial act of honor accordingly.

(Seal.)

Which I attest,  
R. B.,  
Notary Public.

**No. 19. — *Act of Honor on Payment supra Protest, by a Firm of Third Persons, of the Balance of a Bill (after Payment of a Part by the Drawee) for the Honor of the Drawer.***

On the \_\_\_\_\_ day of \_\_\_\_\_, one thousand eight hundred and \_\_\_\_\_, I, R. B., Notary Public, duly admitted and sworn, dwelling in \_\_\_\_\_, in the county of \_\_\_\_\_, State of \_\_\_\_\_, one of the United States of North

America, do hereby certify, that the original bill of exchange for five hundred dollars, of which a copy is above [or on the other side] written, now protested for non-payment, (the sum of three hundred dollars, part of the said bill, appearing to have been paid, by the drawee supra protest, for the honor of the drawer,) was this day exhibited [or exhibited by me] at the counting-house of the firm of C. D. and Company, and C. D., one of the said firm, declared that the said firm would pay the sum of two hundred dollars, the balance of the said bill supra protest, for the honor of E. F., the drawer thereof; holding the drawer, and all other proper persons, responsible to the said firm of C. D. and Company for the last-mentioned sum, and for all interest, damages, and expenses; I have, therefore, granted this notarial act of honor accordingly.

(Seal.)

Which I attest,  
R. B.,  
Notary Public.

\* \* The above forms are taken from R. Brooke's Treatise on the Office of a Notary of England.

*Form of Protest used in the State of New York.*

United States of America, State of New York, ss.

Be it known, that on the \_\_\_\_\_ day of \_\_\_\_\_, in the year of our Lord one thousand eight hundred and fifty \_\_\_\_\_, at the request of \_\_\_\_\_ of Buffalo, I, \_\_\_\_\_, a Notary Public, duly admitted and sworn, dwelling in the city of Buffalo, County of Erie, and State aforesaid, presented the annexed \_\_\_\_\_ of \_\_\_\_\_ for \_\_\_\_\_ dollars, \_\_\_\_\_ at the \_\_\_\_\_ and demanded payment thereof, which was refused. Whereupon, I, the said Notary, at the request aforesaid, did protest, and by these presents do solemnly protest, as well against the maker and indorser of the said \_\_\_\_\_ as against all others whom it doth or may concern, for exchange, reëxchange, and all costs, charges, damages, and interests already incurred and to be incurred by reason of the non-payment of the said \_\_\_\_\_. And I, the said Notary, do hereby certify, that on the same day and year above written, I deposited in the post-office, in said city of Buffalo, notice of the foregoing protest, partly written and partly printed, signed by me and folded in the form of letters, as follows, viz.:—

Notice for \_\_\_\_\_ Directed \_\_\_\_\_

Do. " \_\_\_\_\_ do. \_\_\_\_\_

Each of the above-named places being the reputed place of residence of the persons to whom the said notice was directed respectively; and the nearest post-office thereto; and I further certify, that on the day and year last aforesaid, I served notice of the foregoing protest signed by me, partly written and partly printed, as follows, to wit:—

Notice for \_\_\_\_\_

Do. " \_\_\_\_\_

In witness whereof, I have hereunto subscribed my name and affixed my seal of office in presence of John Doe and Richard Roe, witnesses.

In Testimonium Veritatis.

\_\_\_\_\_, Notary Public.



## CHAPTER XII.

## STATUTE LAWS REGARDING BILLS OF EXCHANGE, PROMISSORY NOTES AND NOTARIES PUBLIC.

## MASSACHUSETTS.

*Bills and Notes.*

THE damages provided by statute, to be recovered on bills protested, have been stated in Chapter IX.

Revised Statutes, ch. 33. *Days of Grace to be allowed.*

§ 5. In all bills of exchange, payable at sight or at a future day certain, within this State, and on all promissory negotiable notes, orders, and drafts, payable at a future day certain, within this State, in which there is not an express stipulation to the contrary, grace shall be allowed, except as provided in the following section, in like manner as it is allowed, by the custom of merchants, on foreign bills of exchange payable at the expiration of a certain period after date or sight.

§ 6. (*Not when payable on Demand.*)—The provisions of the preceding section shall not extend to any bill of exchange, note, or draft payable on demand.

Supplement to Rev. Stat., 1839, ch. 121. *An Act concerning Notes payable on Demand.*

§ 1. In any action brought upon a promissory note payable on demand, made after this act shall go into operation, by an indorser against the promisor, any matter shall be deemed a legal defence, and may be given in evidence accordingly, which would be a legal defence to a suit on the same note, if brought by the promisee.

§ 2. (*When Demand must be made, and Notice given, in Order to charge an Indorser.*)—On any promissory note payable on demand, made after this act shall go into operation, a demand made at the expiration of *sixty* days from the date thereof, without grace, or at any time within that term, shall be deemed to be made within a reasonable time; and any act, neglect, or other thing which by the rules of law or the custom of merchants is deemed equivalent to a presentment and demand, on a note payable at a fixed time, or which would dispense with such presentment and demand, if it shall occur at or within the said term of *sixty* days, shall be deemed to be a dishonor thereof, and shall authorize the holder of such note to give notice of the dishonor thereof to the indorser, as upon a presentment to the promisor, and his neglect or refusal to pay the same. And no presentment of such note to the promisor, and demand of payment thereof, shall be deemed to be made within a reasonable time, so as to charge the indorser thereof, unless made on or before the last day of said term of sixty days.

§ 3. (*Indorser liable after Notice.*)—Upon all promissory notes payable on demand, made after this act shall go into operation, the several

indorsers thereof shall be liable, upon due and reasonable notice, given according to the rules of law and the customs of merchants, of the dishonor of such notes, in the same manner and to the same effect as upon the dishonor of promissory notes payable at a fixed time, and not otherwise.

It has been held by the Supreme Court, that if a note on demand is indorsed after sixty days from its date, a demand on the maker is within a reasonable time, if made not later than at the expiration of sixty days from the time of the indorsement of the note. (*Rice v. Wesson*, 11 Met. 400.)

And further, to charge an indorser of a note payable on demand, the indorsee must give him notice of non-payment upon the first demand on the maker, although such demand was made at an earlier day than was necessary in order to render the indorser liable on his indorsement, and although the indorsee gives the indorser notice of non-payment upon a second demand on the maker, which would have been in season to charge the indorser if no previous demand had been made. (*Ibid.*)

#### *Notaries Public.*

According to the fourth article of Amendment of the Constitution, Notaries Public shall be appointed by the Governor, in the same manner as judicial officers are appointed, and shall hold their offices during seven years, unless sooner removed by the Governor, with the consent of the Council, upon the address of both houses of the Legislature.

Chapter 13 of the Revised Statutes provides : —

§ 47. On the death, resignation, or removal from office of any notary public, his records, together with all his official papers, shall be deposited in the office of the clerk of the Court of Common Pleas for the same county in which the said notary public resided.

§ 48. If any notary public, on his resignation or removal from office, shall, for the space of three months, neglect to deposit his records and official papers in the clerk's office, he shall forfeit a sum not exceeding five hundred dollars.

§ 49. If the executor or administrator of any deceased notary public shall, for the space of three months after his acceptance of such appointment, neglect to deposit in the clerk's office the records and official papers of such deceased notary, which shall come into his hands, he shall forfeit a sum not exceeding five hundred dollars.

§ 50. If any person shall knowingly destroy, deface, or conceal any records or official papers of any notary public, he shall forfeit a sum not exceeding one thousand dollars, and shall moreover be liable in damages to any party injured.

§ 51. The several clerks of the Court of Common Pleas shall receive and safely keep all the records and official papers of any notary public, which are, in this chapter, directed to be deposited in the offices of said clerks.

§ 52. Said clerks shall make and certify copies of any records and official papers of any notary public deposited with them; for which copies they shall be paid the same fees that such notary public would

have been entitled to; and all copies, certified by the said clerks, shall have the same effect in law, as if they had been certified to by such notary public.

By chap. 59, § 13, the acknowledgment of deeds of real estate may be made before any justice of the peace in this State, or before any justice of the peace, magistrate, or *notary public* within the United States, or in any foreign country, or before any commissioner appointed for that purpose by the Governor of this Commonwealth, or before any minister or consul of the United States in any foreign country.

Supplement to the Revised Statutes of 1839, chap. 93, § 1. *Fees of Notaries in Massachusetts.*

The fees of notaries public for the services hereafter specified shall be as follows, to wit: — For every protest for the non-acceptance or non-payment of a bill of exchange, order, draft, or check, the amount whereof is five hundred dollars, or upwards, or for the non-payment of a promissory note for the like amount, *one dollar*; for recording the same, fifty cents; for every protest for the non-acceptance or non-payment of a bill of exchange, order, draft, or check, the amount whereof is less than five hundred dollars, or for the non-payment of a promissory note for the like amount, *fifty cents*; for recording the same, fifty cents; for *noting* the non-acceptance or non-payment of a bill of exchange, order, draft, or check, or the non-payment of a promissory note, *seventy-five cents*; for each notice of non-acceptance or non-payment of any bill, order, draft, check, or note, given to any party liable for the payment thereof, *twenty-five cents*: *Provided*, that the whole cost of protest, including all necessary notices, and the record thereof, when the bill, order, draft, check, or note is of the amount of five hundred dollars or upwards, shall in no case exceed *two* dollars; and when the amount is less than five hundred dollars, the whole cost shall not exceed *one dollar and fifty cents*; and the whole cost of noting, including recording and all notices, shall in no case exceed one dollar and twenty-five cents.

MAINE.

*Bills and Notes.*

1847, Chap. 44, § 12. The protest of any foreign or inland bill of exchange or promissory note or order, duly certified by any notary public, under his hand and official seal, shall be legal evidence of the facts stated in such protest, as to the same, and also as to the notice given to the drawer or indorser, in any court of law.

§ 13. (*Of Days of Grace on Bills and Notes.*) — Whenever any promissory note, inland bill of exchange, draft, or order for the payment of money, payable at a future day, or at sight, and not on demand, shall become payable in this State, the maker of any such note, and the acceptor of any such bill of exchange, respectively, shall be entitled to a grace of three days, unless the third day happens to be the Lord's day, or a day of public fast or thanksgiving, appointed by the Governor and

Council, or the Fourth of July, in which excepted cases a grace of two days only shall be allowed.

§ 14. (*Proviso relating to the 4th of July.*) — If the fourth day of July should happen to be Monday, and the third day of grace on any such note, bill, or draft should happen on the same day ; or if the fourth day of July should happen on Saturday, and the following Sunday should be the third day of grace, an additional day of grace shall be allowed on such note, bill, or draft ; and for such protest, notifying parties making the certificate in form aforesaid, and record of his proceedings, he shall be entitled to a fee of one dollar and fifty cents and no more.

#### RHODE ISLAND.

##### *Bills of Exchange.*

All bills of exchange drawn at sight, which shall be due and payable in this State, shall be deemed due and payable on the day of presentation without grace.

January, 1849, § 2. It shall be lawful for any person having a right to demand any sum of money upon a foreign protested bill of exchange, to commence and prosecute an action for principal, damages, interest, and charges of protest, against the drawers or indorsers, jointly or severally, or against either of them separately ; and judgment shall be given therefor, together with cost of suit.

##### *Fees of Notaries.*

For noting any note, bill of exchange, order, or check for non-payment or non-acceptance, . . . . .	\$ 0. 25
For every notice more than one, . . . . .	0.10
For travel of more than one mile, per mile, . . . . .	0.08
For extending a protest for the non-acceptance or the non-payment of a note, bill of exchange, order, or check, and recording the same, . . . . .	0.75

#### VERMONT.

##### *Bills and Notes.*

1839, Tit. XVIII., Chap. 73, § 1. (*Notes, etc., executed or payable in another State, subject to Grace.*) — All bills of exchange, drafts, and promissory notes, executed in any other State, and payable in this State, and all such bills, drafts, and notes executed in this State and payable in any other State, shall be entitled to the usual mercantile privilege of three days' grace.

§ 2. (*Limitation of foregoing Section.*) — The provisions of the foregoing section shall not extend to any contract payable on demand, or in any way but in money.

§ 3. (*Notes, not subject to Grace, falling due on Sabbath, payable on Monday.*) — Whenever any bill or note, or other contract not subject to grace, shall fall due on the Sabbath, the same shall, for every purpose, be taken and considered as due on the Monday next following.

§ 4. The indorsee of any bill or promissory note, for the payment of money, to any person, or order, or bearer, may maintain an action in his own name for the recovery of the money.

§ 5. The holder of any bill or note, payable in money to the bearer, or to any person or bearer, may maintain an action thereon in his own name without indorsement.

#### *Fees of Notaries Public.*

For each protest under seal, and the notices, one dollar ; for each certificate under seal, twenty-five cents.

#### NEW HAMPSHIRE.

1843, Tit. XXI., Chap. 180, § 10. (*No Action for Bills till after Grace.*) — No bill of exchange, negotiable promissory note, order, or draft, except such as are payable on demand, shall be payable until days of grace have been allowed thereon, unless it appear in the instrument that it was the intention of the parties that days of grace should not be allowed.

Tit. III., Chap. 14, § 3. The protest of any bill of exchange, note, or order, duly certified by any notary public under his hand and official seal, shall be evidence of the facts stated in such protest, and of the notice given to the drawer or indorsers.

Tit. XXIX., Chap. 229, § 24. (*Fees of Notaries.*) — For every protest under seal, fifty cents ; every certificate under seal, twenty-five cents ; for waiting on a person to demand payment, or to witness any matter, and certifying the same under seal, fifty cents ; for every notice of non-payment to any party to a bill or note, twenty-five cents.

#### CONNECTICUT.

All promissory notes for \$ 35 or upwards are negotiable.

The days of public Fast, Thanksgiving, and Christmas, and the Fourth of July are legal holidays.

#### *Fees of Notaries Public.*

For noting a bill of exchange or promissory note for protest, . . . . .	\$ 0.25
For entering a protest of the same, . . . . .	0.50
For recording a protest, . . . . .	0.25
For noting without protest, . . . . .	0.50
For each notice to indorsers, . . . . .	0.25
For travel, per mile, . . . . .	0.09

#### NEW YORK.

#### *Bills and Notes.*

§ 1. (*Promissory Notes payable to Order or to Bearer Negotiable.*) — All notes in writing, made and signed by any person, whereby he shall promise to pay to any other person, or his order, or to the order of any other person, or unto the bearer, any sum of money therein mentioned,

shall be due and payable as therein expressed ; and shall have the same effect, and be negotiable in like manner, as inland bills of exchange, according to the custom of merchants.

§ 2. (*Signature by Agent.*) — Every such note, signed by the agent of any person, under a general or special authority, shall bind such person, and shall have the same effect, and be negotiable as above provided.

§ 3. (*Corporations included.*) — The word "person," in the two last preceding sections, shall be construed to extend to every corporation capable by law of making contracts.

§ 4. (*Actions by Payees, Indorsees, and Holders.*) — The payees and indorsees of every such note payable to them or their order, and the holders of every such note payable to bearer, may maintain actions for the sums of money therein mentioned, against the makers and indorsers of the same respectively, in like manner as in cases of inland bills of exchange, and not otherwise.

§ 5. (*Effect when made payable to Order of Maker.*) — Such notes, made payable to the order of the maker thereof, or to the order of a fictitious person, shall, if negotiated by the maker, have the same effect, and be of the same validity, as against the maker and all persons having knowledge of the facts, as if payable to bearer.

§ 6. (*Acceptances of Bills to be in Writing, etc.*) — No person within this State shall be charged as an acceptor on a bill of exchange, unless his acceptance shall be in writing, signed by himself, or his lawful agent.

§ 7. (*Effect of Acceptance on separate Paper.*) — If such acceptance be written on a paper other than the bill, it shall not bind the acceptor, except in favor of a person to whom such acceptance shall have been shown, and who, on the faith thereof, shall have received the bill for a valuable consideration.

§ 8. (*Written Promises to accept.*) — An unconditional promise, in writing, to accept a bill before it is drawn, shall be deemed an actual acceptance, in favor of every person who, upon the faith thereof, shall have received the bill for a valuable consideration.

§ 9. (*Refusal to accept a Bill.*) — Every holder of a bill, presenting the same for acceptance, may require that the acceptance be written on the bill. A refusal to comply with such request shall be deemed a refusal to accept, and the bill may be protested for non-acceptance.

§ 10. (*Rights of Drawers in certain Cases not to be affected.*) — The four last sections shall not be construed to impair the right of any person, to whom a promise to accept a bill may have been made, and who, on the faith of such promise, shall have drawn or negotiated the bill, to recover damages of the party making such promise, on his refusal to accept such bill.

§ 11. (*Destroying Bill or Refusal to return it, when accepted.*) — Every person, upon whom a bill of exchange is drawn, and to whom the same is delivered for acceptance, who shall destroy such bill, or refuse, within twenty-four hours after such delivery, or within such other period as the holder may allow, to return the bill, accepted or non-accepted, to the holder, shall be deemed to have accepted the same.

§§ 12-17 provide for making demand of acceptance or payment of

bills and notes, and of giving notice of non-acceptance and non-payment, in case any portion or district of the city of New York shall be the seat of any contagious disease, and notice shall have been given by proper authority that communication with the same is dangerous, the clerk of the city and county of New York is directed to keep a book, where all persons of business shall register their names and places of business, and designate the places out of the infected district where notices may be sent to them; and any presentment of bills and notes for acceptance or payment may be made at such places designated. And if any person has neglected to register his name and place of business, presentment may be made to the clerk of the city, and payment demanded, and notices to such persons may be left at the post-office of the city of New York.

§ 18. (*Damages on Non-payment of Bills.*) — The rate of damages to be allowed and paid upon the usual protest for non-payment of bills of exchange, drawn or negotiated within this State, shall, in the following cases, be as follows: —

1. (*Bills on certain Northern and Western States.*) If such bill shall have been drawn upon any person or persons at any place in either of the States of Maine, New Hampshire, Vermont, Massachusetts, Rhode Island, Connecticut, New Jersey, Pennsylvania, Ohio, Delaware, Maryland, or Virginia, or in the District of Columbia, three dollars upon the hundred upon the principal sum specified in such bill.

2. (*On certain Southern and Western States.*) If such bill shall have been drawn upon any person or persons at any place in either of the States of North Carolina, South Carolina, Georgia, Kentucky, or Tennessee, five dollars upon the hundred, upon the principal sum specified in such bill.

3. (*On other States and places on this Continent, etc.*) If such bill be drawn upon any person or persons at any place in any other State or Territory of the United States, or at any other place on or adjacent to this continent and north of the equator, or in any British or other foreign possessions in the West Indies, or elsewhere in the Western Atlantic Ocean, ten dollars upon the hundred, upon the principal sum specified in such bill.

4. (*Bills on Europe.*) If such bill shall have been drawn upon any person or persons in any part or place in Europe, ten dollars upon the hundred, upon the principal sum specified in such bill.

§ 19. (*Damages to be in Lieu of certain Interest, Charges, etc.*) — Such damages shall be in lieu of interest, charges of protest, and all other charges incurred previous to and at the time of giving notice of non-payment; but the holder of such bill shall be entitled to demand and recover lawful interest upon the aggregate amount of the principal sum specified in such bill, and of the damages thereon, from the time at which notice of protest for non-payment shall have been given, and payment of such principal sum shall have been demanded.

§ 20. (*No Reference to Rate of Exchange when Bill payable in Money of the United States.*) — If the contents of such bill be expressed in the money of account of the United States, the amount due thereon, and of

the damages herein allowed for the non-payment thereof, shall be ascertained and determined, without any reference to the rate of exchange existing between this State and the place on which such bill shall have been drawn, at the time of the demand of payment, or of notice of non-payment.

§ 21. (*Otherwise when payable in Foreign Currency.*) — If the contents of such bill be expressed in the money of account or currency of any foreign country, then the amount due, exclusive of the damages payable thereon, shall be ascertained and determined by the rate of exchange, or the value of such foreign currency, at the time of the demand of payment.

§ 22. (*Damages on Non-acceptance of Bills.*) — Where a bill of exchange shall be protested for non-acceptance, the same rate of damages shall be allowed on the protest for non-acceptance as provided in the four last sections; and it shall be in lieu of interest, charges of protest, and all other charges incurred previous and at the time of giving notice of non-acceptance, but the holder shall be entitled to recover interest upon the aggregate amount of the principal sum specified in the bill, and of the damages thereon, from the time at which notice of protest for non-acceptance shall have been given.

§ 23. (*Who to recover such Damages.*) — The damages allowed by this title shall be recovered only by the holder of a bill, who shall have purchased the same, or some interest therein, for a valuable consideration.

§ 24. (*Notices by Mail, how to be directed.*) — In all cases where a notice of non-acceptance of a bill of exchange, or non-payment of a bill of exchange, promissory note, or other negotiable instrument, may be given by sending the same by mail, it shall be sufficient if such notice be directed to the city or town where the person sought to be charged by such notice resided at the time of drawing, making, or indorsing such bill of exchange, promissory note, or other negotiable instrument; unless such person, at the time of affixing his signature to such bill, note, or other negotiable instrument, shall, in addition thereto, specify thereon the post-office to which he may require the notice to be addressed.

§ 25. (*Application of last Section.*) — Nothing in this act shall apply to bills of exchange, promissory notes, or other negotiable instruments, made or drawn before this act takes effect. (Sec. 2, Chap. 141, of 1835.)

#### *Public Notaries.*

Rev. Stat., Vol. II. p. 382. Part III. §§ 50 – 55.

§ 50. (*Powers of Public Notaries.*) — Notaries public have authority to demand acceptance and payment of foreign bills of exchange, and to protest the same for non-acceptance and non-payment; and to exercise such other powers and duties as by the law of nations, and according to commercial usage, or by the laws of any other state, government, or country, may be performed by notaries public.

§ 51. They may also demand acceptance of inland bills of exchange,



and payment thereof, and of promissory notes, and may protest the same for non-acceptance or non-payment, as the case may require. But neither such protest, nor any note thereof, made by any notary in this State, shall be evidence in any court of this State of any facts therein contained, except in the cases specified in the next section.

§ 52. (*Memorandums by them.*) In case of the death or insanity of any notary public, or of his absence or removal, so that his personal attendance or his testimony cannot be procured in any mode provided by law, the original protest of such notary, under his official seal, upon such seal and his signature being duly proved, shall be presumptive evidence of the fact of any demand of acceptance or of payment, therein stated.

§ 53. (*Their Liabilities for Misconduct.*) — For any misconduct in any of the cases where notaries public appointed under the authority of this State are authorized to act, either by the laws of this State or of any other State, government, or country, or by the law of nations or by commercial usage, they shall be liable to the parties injured thereby for all damages sustained; and shall be subject to criminal prosecution and punishment, in the same cases, and in the same manner, in which other public officers of this State would be liable for misconduct in any official duty or act authorized or enjoined by the laws of this State.

§ 55. (*Certificate of Notary under Seal, Evidence of Protest and of Notice.*) — In all actions at law, the certificate of the notary, under his hand and seal of office, of the presentment by him of any promissory note or bill of exchange for acceptance or payment, and of any protest of such bill or note for non-acceptance or non-payment, and of the service of notice thereof on any or all of the parties to such bill of exchange or promissory note, and specifying the mode of giving such notice, and the reputed place of residence of the party to whom the same was given, and the post-office nearest thereto, shall be presumptive evidence of the facts contained in such certificate; but this section shall not apply to any case in which the defendant shall annex to his plea an affidavit, denying the fact of having received notice of non-acceptance or non-payment of such note or bill.

#### *Fees of Notaries Public.*

#### R. S., Title 3, Part III. Chap. X.

§ 57. It shall not be lawful for any notary public, directly or indirectly, to demand or receive for the protest for non-payment of any note, or for the non-acceptance or non-payment of any bill of exchange, check, or draft, and giving the requisite notices and certificates of such protest, including his notarial seal, if affixed thereto, any greater fee or reward than seventy-five cents; and it shall be the duty of such notary to affix his seal to such protest, free of expense, except as above (see below), whenever he shall be requested so to do; and he shall also give a certificate under his seal free of expense, except as aforesaid (see below), under the provisions of the eighth section of the act entitled, "An Act relative to proceedings in suits commenced by declaration, and for other purposes," passed April 29, 1833. Sec. 1 of chap. 476 of 1837.

For drawing and copy of every other protest, seventeen cents for every folio ; and for sealing the same, twenty-five cents.

For drawing and copy of any affidavit or other paper or proceeding, for which provision is not herein made, the same fees as are allowed to attorneys in the Supreme Court for drafts and copies.

#### NEW JERSEY.

It is provided by statute that inland bills are put on the same footing with foreign bills, and must be protested.

#### Fees of Notaries.

§ 6. For every attestation, protestation, and other instrument of publication, under his seal of office, relative to a foreign bill of exchange, one dollar, and for recording the same in a book kept for that purpose, seventy-five cents ; for every attestation, protestation, and other instrument of publication, under his seal of office, relative to inland bills of exchange or promissory notes, if said notes or bills exceed one hundred dollars, the sum of fifty cents, and if one hundred dollars or less, the sum of thirty cents, and for recording the same in a book kept for that purpose, the sum of twenty-five cents.

§ 7. Every notary public or justice of the peace, upon protesting any foreign or inland bill of exchange or promissory note, in addition to the duties already prescribed, and without further compensation, shall record, in a book kept for that purpose, the time when, the place where, and upon whom, demand of payment was made, with a copy of the notice of non-payment, how served, and the time when ; and if sent by post, to whom the same was directed, at what place, and when the same was put into such post-office, to which record they shall sign their names.

#### PENNSYLVANIA.

#### Bills of Exchange.

II. The damages which are to be recovered upon any bill of exchange shall be in lieu of interest and all other charges, except the charges of protest to the time when notice of the protest and demand of payment shall have been given and made as aforesaid, and the amount of such bill and the damages payable thereon, as specified in this act, shall be ascertained and determined by the rate of exchange, or value of the money or currency mentioned in such bill, at the time of notice of protest and demand of payment, as before mentioned. (Passed March 30, 1821.)

XI. (*Bills, etc. payable out of the State held negotiable.*— That all bills of exchange, drafts, orders, checks, promissory notes, or other instruments in form, nature, or similitude thereof, that shall or may hereafter be made, or be drawn or indorsed to order within this Commonwealth, upon any person or persons, body politic or corporate copartnership, firm or institution, of or in, or that shall be made payable in, any other State, Territory, country, or place whatsoever, for any sum or sums of money with the current rate of exchange in Philadelphia, or such other place

within this Commonwealth where the same may bear date, or in current funds, or such like qualifications superadded, shall be held to be negotiable by indorsement, and recoverable by the indorsee or indorsees, in his, her, or their name or names, in the same manner, to all intents and purposes, as bills of exchange and promissory notes formally drawn and ordinarily in use and negotiable within this Commonwealth, are now by law recoverable therein. (Passed April 5, 1849.)

Chap. 860, III., provides that payment of all notes, checks, bills of exchange, or other instruments negotiable by the laws of this Commonwealth, and becoming payable on *Christmas day*, or the *first day of January*, the *fourth day of July*, or any other day fixed upon by law, or by the proclamation of the Governor of this Commonwealth, as a day of general thanksgiving, or for the general cessation of business in any year, shall be deemed to become due on the secular day next preceding the aforementioned days, respectively; on which said secular days demand of payment may be made, and in case of non-payment or dishonor of the same protest may be made, and notice given in the same manner as if such notes, checks, bills of exchange, or other instruments, fell due on the day of such demand; and the rights and liabilities of all parties concerned therein shall be the same as in other cases of like instruments legally proceeded with: *Provided*, that nothing herein contained shall be so construed as to render void any demand, notice, or protest made or given as heretofore, at the option of the holder, nor shall the same be so construed as to vary the rights or liabilities of the parties to any such instruments heretofore executed. (Passed April 11, 1848.)

Chap. 894, VII. (*When Notice of Non-payment, etc. is to be given.*) — That from and after the passage of this act, in all cases where suit is brought in any of the courts of this Commonwealth, upon or for the recovery of the amount due on any promissory note, post-note, note of hand, due-bill, bill of exchange, draft, order, check, or other instrument of writing in the nature thereof, no plea shall be held to be available, and no defence shall be made or taken by the defendant or defendants, for want of proper and timely demand of payment or acceptance, or proper and timely protest for and notice of non-acceptance or non-payment of the same, unless the respective places where such demand is to be made, and where such notice is to be served or given, or the names and residences or places of business of the respective parties thereto, shall be legibly and distinctly set forth thereon.

VIII. (*Demand of Acceptance, etc., and Notice of Non-acceptance, etc., when to be given.*) — That when such places of demand and notice, or such names, residences, or places of business are omitted to be set forth as aforesaid, demand of acceptance, as well as protest for and notice of non-acceptance, may be made and given at any time before maturity of such instrument or instruments as require acceptance and demand of payment, as well as protest for and notice of non-payment of the same, at any time after maturity thereof, and before suit is brought thereon.

IX. (*Notes, etc. held payable at the Place where dated.*) — That in all such cases of omission as aforesaid, promissory notes, post-notes, notes of hand, due-bills, and such like instruments, shall be held to be payable

and protestable at the place where they are dated, and if they contain no place of date, then at the place where they are deposited or held for collection; and bills of exchange, drafts, orders, checks, or other instruments or securities in the nature thereof, shall be held to be acceptable, payable, and protestable at the place where the same shall or may be addressed to the drawee or drawees.

X. (*Money to be recovered back in Cases of Forgery.*) — That whenever any value or amount shall be received as a consideration in the sale, assignment, transfer, or negotiation, or in payment of any bill of exchange, draft, check, order, promissory note, or other instrument, negotiable within this Commonwealth, by the holder thereof, from the indorsee or indorsees, or payee or payees of the same, and the signature or signatures of any acceptor or indorser shall have been forged thereon, and such value or amount by reason thereof erroneously given or paid, such indorsee or indorsees, as well as such payee or payees respectively, shall be legally entitled to recover back, from the person or persons previously holding or negotiating the same, the value or amount so as aforesaid given or paid by such indorsee or indorsees, or payee or payees respectively, to such person or persons, together with lawful interest thereon, from the time that demand shall have been made for repayment of the same.

#### *Fees of Notaries Public.*

For protest of bill of exchange, registering seal, and other service, . . . . .	\$ 1.00
Registering foreign bill protested, with certificate, . . . . .	0.50
Registering protest of a bill of exchange or promissory note for non-acceptance or non-payment, . . . . .	0.25
Noting a bill of exchange, note, or thing properly protestable either for non-acceptance or non-payment, . . . . .	0.37½

#### DELAWARE.

All checks, notes, drafts, or bills, foreign or inland, payable without time, or at sight, are due and payable on presentment, without grace.

#### *Fees of Notaries.*

For protest of a promissory note, bill of exchange, draft, or check, and registering the same, . . . . .	\$ 0.80
Giving notice of a protest, personal or otherwise, and registering the notice and manner thereof, for each notice, . . . . .	0.20
For exemplification, under hand and notarial seal, of such protest, . . . . .	0.25
Protest of a foreign bill of exchange, (to wit, a bill of exchange drawn beyond sea,) and registering the same, . . . . .	1.00
Giving notice of such protest, personal or otherwise, and registering the notice and manner thereof, for each notice, . . . . .	0.37
Exemplification, under hand and notarial seal, of such protest, . . . . .	0.75
Registering a bill of exchange, promissory note, bank-note, or check, where no fee for protest is charged, . . . . .	0.2

Registering a common sea protest, . . . . .	\$ 0.75
Registering a foreign sea protest, . . . . .	1.00
Registering a protest against a merchant or other person, for detaining vessel beyond proper time, with answers and persistence to the protest, . . . . .	4.00
Exemplification, under hand and notarial seal, of either of said three last-mentioned protests, . . . . .	1.00
Registering an obligation, letter of attorney, bill of sale, or other writing of similar length, . . . . .	1.00
Taking and certifying, under hand and notarial seal, the acknowledgment of a deed, letter of attorney, or other instrument, . . . . .	1.00
Administering and certifying, under hand and notarial seal, oath or affirmation, . . . . .	0.50
Drawing affidavit, or deposition, two cents a line.	
Taking depositions under order of court, a sum to be taxed by the court.	
Certificate under hand and notarial seal, when no other service for which a fee is allowed is performed, . . . . .	0.35

#### MARYLAND.

Chap. 253. § 1. — A protest duly made by a notary public of a promissory note, for non-payment, or of a bill of exchange, whether foreign or inland, for non-acceptance or non-payment, shall be *prima facie* evidence of such non-payment or non-acceptance, and of the presentment of such note for payment, or of such bill for acceptance or payment, at the time and in the manner stated in the protest.

§ 2. When such protest shall state that notice of such non-payment or non-acceptance has been sent or delivered to the party or parties to such note or bill, and the manner of such notice, such protest shall be *prima facie* evidence that such notice has been sent or delivered in the manner therein stated.

#### Fees of Notaries Public.

Chap. 108. — The fees to be received by the notaries public shall be as follows : —

Drawing all proceedings not exceeding two sides, fifty cents ; drawing all proceedings exceeding two sides, twenty cents per side ; registering or copying proceedings, for every such side, ten cents ; presenting a bill of exchange for acceptance, if accepted and not afterwards protested for non-payment, one dollar ; presenting a bill or note for payment, if paid when presented, one dollar ; noting a bill for non-acceptance, if not protested for non-acceptance or non-payment, one dollar ; protesting a bill or note, or the like, for non-acceptance or non-payment, one dollar and seventy-five cents ; noting a marine protest, one dollar ; affixing notarial seal, fifty cents ; for every search where no copy is made, twenty-five cents ; administering an oath or taking an acknowledgment, twelve and a half cents ; and for all other acts and services in proportion to the aforesaid fees, to be paid at the time of doing the same.

## OHIO.

*Bills of Exchange and Negotiable Instruments.*

By Chapter 75 of the Revised Statutes, all bonds, promissory notes, and bills of exchange, inland and foreign, drawn for any sum of money certain, and made payable to any person or order, or to any person or bearer, or to any person or assigns, are made negotiable by indorsement; three days of grace are allowed, and notice must be given to indorsers within a reasonable time after non-payment, unless the indorsement shall express in writing other conditions.

10. Sect. 1. (*Damages on Foreign protested Bills of Exchange.*) — When any bill of exchange shall be drawn for the payment of any sum of money, and such bill shall be legally protested for non-acceptance or non-payment, the drawer or drawers, indorser or indorsers, shall be subject to the payment of *twelve* per cent. damages thereon, if drawn on any person or body corporate without the jurisdiction of the United States; and *nine* per cent. damages thereon, if drawn on any person or body corporate within the jurisdiction of the United States, and without the jurisdiction of this State; and the bills shall in all cases bear an interest of *six* per cent. from the date of the protest, until the money therein drawn for shall be fully satisfied and paid.

(It has been decided under this section, that the right of a party to damages does not depend upon the place of payment, but upon the place of residence of the drawer. No damages are allowed upon a bill drawn upon a person in Ohio, payable in a sister State, and protested for non-payment.)

11. Sect. II. It shall be lawful for any person, having a right to demand any sum of money upon any protested bill of exchange as aforesaid, to commence and prosecute an action for principal, damages, and charges of protest, against the drawers or indorsers, jointly or severally, or against either of them separately. And judgment shall and may be given for such principal, damages, and charges, and interest upon such principal after the rate aforesaid, to the time of such judgment, together with costs of suit.

*Fees of Notaries.*

Chap. 77, 6. Sect. II. Every notary may demand and receive for every attestation, protestation, or other instrument of publication, under the seal of his office, the sum of fifty cents, and no more; and for recording in a book, to be kept for that purpose, each attestation, protestation, or other instrument of publication, fifty cents, and no more.

## KENTUCKY.

*Regarding Bills of Exchange.*

§ 1. It is enacted, that where any foreign bill of exchange is or shall be drawn for the payment of any sum of money in which the value is or shall be expressed to be received, and where such foreign bill is or shall

be protested for non-acceptance or non-payment, the same shall carry interest from the date thereof,\* after the rate of *ten* per cent. per annum, until the money therein drawn for shall be fully satisfied and paid; but lest any person having such foreign bill should, for the sake of the said interest, delay negotiating the same, or if after it shall be protested, shall not demand payment of the drawer or indorser thereof, it is hereby declared, that no person whatever shall pay more than eighteen months' interest from the date of any bill to the time it shall be presented protested to the drawer, indorser, or indorsers thereof.

§ 3. And that all foreign bills of exchange which are or shall be protested, shall, after the death of the drawer or indorser thereof, be accounted of equal dignity with a judgment; and the executors or administrators of every such drawer or indorser shall be compelled to suffer judgment to pass against them for all debts due upon protested foreign bills of exchange, before any bond, bill, or other debt of equal or inferior dignity, under the penalty of being liable to pay the same out of their own proper goods.

§ 4. If a bill of exchange for the sum of five pounds or upwards, dated at any place in Kentucky, drawn upon a person at any other place therein, expressed to be for value received, and payable at a certain number of days, weeks, or months after date, being presented to the person upon whom it shall be drawn, shall not be accepted, by subscribing his name with his proper hand to the acceptance, written at the foot or on the back of the bill, or, being accepted in that manner, and not otherwise, shall not be paid before the expiration of three days after it shall become due, the person to whom it shall be payable, or his agent or assigns, may cause the same to be protested by a notary public, or if there be no such, by any other person, in the presence of two or more credible witnesses, for non-acceptance, in the form or to the effect following, written under a fair copy of the bill: — "Know all men that I, ———, on the ——— day of ———, at the usual place of abode of the above-named ———, presented to him the bill of which the above is a copy, and which said ——— did not accept, whereof I, the said ———, do hereby protest the said bill, dated at ———, this ——— day of ———"; or for non-payment after acceptance in the same form or to the same effect, except that the words be inserted, "demanded payment of the bill of which the above is a copy, and which the said ——— did not pay." And the drawer, such protest being sent to him, or notice thereof in writing being given to him, or left at the place of his usual abode within fourteen days thereafter, shall pay the money mentioned in the bill to the person entitled to it, with legal interest from the day of the protest; and he to whom the bill shall be payable, neglecting to procure the protest to be made, or due notice thereof to be given, shall be liable for all costs and damages accruing thereby; if the bill shall be lost or shall miscarry, the drawer shall assign and deliver an-

---

\* Indorsements on negotiable notes of the grade of foreign bills are embraced by the above statute concerning interest. *Reid v. Bank of Kentucky*, 1 Mon. 93.

other of the same tenor, sufficient security being given to indemnify him against all persons who may claim under the former

*Fees of Notaries Public.*

Notaries shall and may demand and receive for every attestation, protestation, and all other instruments of publication, under their seal of office, the sum of eighty-three cents, and no more ; and for recording in a book to be kept for that purpose each attestation, protestation, and all other instruments of publication, the sum of eighty-three cents, and no more.

MISSOURI.

*Bills of Exchange.*

Chap. 18, § 6. Every person upon whom a bill of exchange may be drawn, and to whom the same shall be delivered for acceptance, who shall destroy such bill, or refuse, within twenty-four hours after such delivery, or within such period as the holder may allow, to return the bill, accepted or non-accepted, to the holder, shall be deemed to have accepted the same.

§ 15. Every promissory note for the payment of money, expressed on the face thereof to be for "value received, negotiable and payable without defalcation," shall be due and payable as therein expressed, and shall have the same effect, and be negotiable in like manner, as inland bills of exchange.

*Fees of Notaries.*

For noting a bill of exchange or note for protest, . . . . .	\$ 0.10
For entering protest of same, . . . . .	0.25
For registering a protest, . . . . .	0.25
For noting without protest, . . . . .	0.25
For notice to each indorser or other party, . . . . .	0.10
For travel per mile, . . . . .	0.05

ILLINOIS.

*Fees of Notaries.*

For noting a bond, promissory note, or bill of exchange, for protest, . . . . .	\$ 0.25
For protesting and recording the same, . . . . .	0.50
For noting, without protest, . . . . .	0.25
For notice to indorsers, etc., each, . . . . .	0.25
For affixing the seal notarial, . . . . .	0.25
For each certificate, . . . . .	0.25

MICHIGAN.

*Fees of Notaries.*

For drawing and copy of protest of the non-payment of a promissory note, etc., or of the non-acceptance of a bill, in cases where by law such protest is necessary, . . . . .	\$ 0.50
---	---------



For drawing and copy of every other protest, . . . . .	\$ 0.25
For drawing, copy, and serving every notice of non-payment of a note, or non-acceptance of a bill, . . . . .	0.25
For drawing any affidavit, or other paper or proceeding, for which provision is not herein made, twenty-five cents for each folio, and for copying the same, six cents for each folio.	

## TENNESSEE.

*Fees of Notaries.*

For recording in a well-bound book, to be by him kept for that purpose, each attestation, protestation, and other instrument of publication, . . . . .	\$ 2.00
--	---------

## VIRGINIA.

*Fees of Notaries.*

For the record of protest, making out instrument of protest under his official seal, and notice of dishonor to one person be- sides the maker of a note or acceptor of a bill, . . . . .	\$ 1.00
For every additional notice, . . . . .	0.10

## GEORGIA.

*Bills of Exchange and Promissory Notes.*

Some of the statutes of England have been adopted, and by them it has been enacted, that all and every bill of exchange, drawn within the State on any other place in the State, of the sum of five pounds sterling, or upwards, and payable a certain time after date or sight, if accepted by underwriting the same, and if not paid after three days' grace, the holder of the bill may and shall cause the bill to be protested by a notary public, and if there be no such officer, by any other substantial person of the place in the presence of two or more credible witnesses, which protest shall be written under a fair written copy of the bill in the form following:—

“Know all men that I, A. B., on the ——— day of ———, at the usual place of abode of the said ———, have demanded payment of the bill, of the which the above is a copy, which the said ——— did not pay; wherefore I, the said ———, do hereby protest the said bill. Dated this ——— day of ———.”

Which protest, so made as aforesaid, shall within fourteen days after making thereof be sent, or otherwise due notice shall be given thereof, to the party from whom the said bills were received, who is, upon producing such protest, to repay the bills, together with all the interest and charges from the day such bills were protested; and in case of neglect of making protest and giving notice within the time specified above, the person so neglecting thereof is and shall be liable to all costs, damages, and interest which shall accrue thereby.

*Bills lost or miscarried.*—In case any such inland bills of exchange

shall be lost or miscarried, before payment is due, then the drawer of such bills shall be obliged to give another bill or bills of the same tenor with the first; but the person to whom they are delivered shall give security, if demanded, to the drawer, to indemnify him against all persons whatever, in case the bills, alleged to be lost or miscarried, shall be found again.

*When protested for Non-acceptance.* — In case such bills of exchange shall not be accepted, the holder may and shall cause the bills to be protested for non-acceptance, as in case of foreign bills of exchange, for which protest shall be paid two shillings, and no more.

*Acceptance by Underwriting.* — Provided that no acceptance of such inland bill of exchange shall be sufficient, unless the same be underwritten or indorsed in writing thereon; and in case acceptance be refused, no drawer of such inland bill of exchange shall be liable to pay any costs, damages, or interest thereon, unless such protest be made for non-acceptance, and within fourteen days after such protest the same be sent, or otherwise notice thereof be given, to the party from whom such bill was received, or left in writing at the place of his usual abode; and if such bill be accepted and not paid before the expiration of three days of grace, then no drawer of such bill shall be compellable to pay any costs, damages, or interest thereupon, unless a protest be made and sent, or notice thereof be given, in manner as aforesaid. Nevertheless every drawer of such bill shall be liable to make payment of costs, damages, and interest upon such inland bill, if any one protest be made of non-acceptance or non-payment thereof, and notice thereof be sent, given, or left as aforesaid.

*Protest when not necessary.* — Provided, that no such protest shall be necessary either for non-acceptance or non-payment of any inland bill of exchange, unless the value be acknowledged and expressed in such bill to be received, and unless such bill be drawn for the payment of twenty pounds sterling, or upwards.

40. *Damages on Domestic Bills of Exchange.* — Whenever any bill of exchange hereafter to be drawn or negotiated within this State, upon any person or persons of or in any State, Territory, or District of the United States, shall be returned unpaid, and shall have been duly protested for non-payment in the manner usual in cases of foreign bills of exchange, the person to whom the same may be payable shall be entitled to recover and receive of and from the drawer or drawers, or the indorser or indorsers, of such bill of exchange, five per cent. damages over and above the principal sum for which said bill of exchange shall have been drawn, together with lawful interest on the aggregate amount of such principal sum, from the time at which notice of such protest shall have been given, and the payment of the said principal sum and damages shall have been demanded. (Dec. 19, 1823.)

41. *Extended to other Cases.* — All the provisions of the preceding paragraph are extended to all bills of exchange hereafter drawn in the State upon, or made payable at, any place within the United States, out of this State, without reference to the residence of the drawer or acceptor. (Dec. 21, 1839.)

42. *Damages on Foreign Bills of Exchange.* — On the bills of exchange drawn in this State upon any place beyond the limits of the United States, which shall be returned protested for non-payment, it shall be lawful for the holder to recover from those liable for the payment thereof the amount of the said bill of exchange, with postages, protests, and other necessary expenses, and interest upon the amount of these sums from the date of the protest until the time of presenting the same for payment in this State, at the rate established at the place at which the bill was payable; and also such premium upon the face of the bill, and the foreign postages, protest, and necessary expenses, as good bills of exchange upon the same place at which such bill was made payable, or are worth, at the time and place of its demand in this State; but if such bills are then and there at a discount, the holder shall deduct such discount upon and from the items of principal, foreign postage, protest, and necessary expenses.

43. *Rate of Damages on the Amount.* — It shall be lawful for the holder of such bill of exchange, so returned protested as aforesaid, also to claim and receive from the person or persons liable therefor, damages at the rate of ten per cent. upon the amount for which the said bill was drawn.

44. *Legal Interest may be recovered.* — It shall be lawful for the holder or holders of such bill or bills returned protested as aforesaid, to recover the legal interest established in this State, [which is eight per cent. per annum,] from the time of presentment for settlement until paid, upon the sum or sums to which he would be entitled by the before-mentioned mode of settlement.

#### *Promissory Notes.*

48. *Negotiability.* — All bonds and other specialties, and promissory notes, and other liquidated demands, bearing date since the 9th of June, 1791, whether for money or other thing, shall be of equal dignity, and be negotiable by indorsement, in such manner and under such restrictions as are prescribed in the case of promissory notes: Provided, that nothing herein contained shall prevent the party giving any bond, note, or other writing, from restraining the negotiability thereof, by expressing in the body thereof such intention.

[Negotiable notes of hand are put on the same footing with inland bills of exchange.]

49. *Indorsers not entitled to Notice.* — The practice heretofore required, of making a demand of the makers of promissory notes and other instruments, for the payment and performance of the same, and their giving notice of such demand within a reasonable time to the indorsers of said promissory notes and other instruments, shall cease and become entirely unnecessary to bind said indorsers.

50. *On the same Footing with Securities.* — And whenever any person whatever indorses a promissory note or other instrument, he shall be held, taken, and considered as security to the same, and be in all respects bound as security, until said promissory note or other instrument is paid off and discharged, and shall be liable to be sued in the same manner and

in the same action with the principal or maker of said promissory notes or other instruments.

51. *Exception as to Notes in Bank.* — Provided, always, that nothing herein contained shall extend to any promissory notes which shall be given for the purpose of negotiation, or intended to be negotiated, at any chartered bank, or which may be deposited in any chartered bank for collection; and provided also, that nothing contained in this act shall be so construed as to prevent the indorser from defining his liability in the indorsement. (Dec. 26, 1826.)\*

52. *Security may compel the Collection of Notes.* — In every case which may hereafter arise, where the security or indorser of any promissory note or other instrument, after the same has or shall become due, has required, or shall hereafter require, the holder thereof to proceed to collect the same, and the real holder has not proceeded or shall not proceed to do so, within three months after such notice or requisition, the indorser or security shall be no longer liable. (Dec. 26, 1831.)

#### *Fees of Notaries.*

For every protest and oath included, not exceeding sixteen copy sheets of ninety words, . . . . .	\$ 2.00
For each attendance on any other person to prove any matter or thing as a notary public, and certifying the same, . . . . .	0.50
Noting a protest, . . . . .	1.00
Registering a protest, per copy sheet, . . . . .	0.06½
Copy of a protest per copy sheet, . . . . .	0.06½

#### SOUTH CAROLINA.

##### *Fees of Notaries Public.*

For every protest, ten shillings; for a duplicate of protest and certificate, per copy sheet, five pence; for each attendance on any person to prove any matter or thing, and certifying the same, three shillings; for every notarial certificate with seal affixed, two shillings and six pence [sterling].

#### INDIANA.

Damages on protested bills of exchange, drawn on persons out of the United States, shall be ten per cent.; if drawn on persons in any place in the United States, five per cent.

Such damages shall be in lieu of interest, charges of protest, and all other charges, previous to and at the time of giving notice.

And the damages are to be without reference to the rate of exchange.

But the drawer or indorser is not liable to damages, if the bill shall be paid upon notice of non-acceptance, and upon demand of the principal sum.

No damages on inland bills or foreign bills drawn payable in this State.

---

\* Sec. 2 of this act superseded by next, ¶, 52.

*Fees of Notaries.*

For each protest of note, bill, bond, or other instrument, fifty cents; and for each notice, twenty-five cents; but not more than one notice shall be chargeable for any one party to such bill, note, or instrument, and no fees shall be allowed to any notary public for any protest on any promissory note, or inland bill of exchange, and no other fees than the fees for notice of non-payment; protests made by officers of a bank not valid; fees for recording protest, seventy-five cents, as to foreign bills of exchange; as to inland bills of exchange, twenty-five cents.

## FLORIDA.

*Notaries Public.*

They are empowered to administer oaths, in all cases, in which by law oaths are required to be administered, and to attest, protest, or publish any writing or document which so requires it.

*Fees.*

They shall receive for protesting bill of exchange or promissory note, and registering the same, . . . . .	\$ 1.00
For noting bill of exchange for non-acceptance or non-payment, . . . . .	0.50
Administering each oath, . . . . .	0.10
Attending at a demand, tender, or deposit, and noting the same, . . . . .	1.00
Noting protest of a captain of vessel, . . . . .	1.00
And for extending protest and copy, . . . . .	5.00
Registering foreign protested bill or protest, . . . . .	0.50
Each certificate with seal thereto, . . . . .	1.00
Each order for recovery, . . . . .	1.00
Copying any paper necessary to be copied, containing one hundred words or less, twenty cents; if containing more than one hundred words, at the rate of ten cents for every subsequent one hundred words.	

## ALABAMA.

*Fees of Notaries Public.*

For protesting any bill, registering, and seal, . . . . .	\$ 1.00
For attesting letters of attorney, and seal, . . . . .	0.50
For notarial affidavit to an account or other writing, and seal, . . . . .	0.50
For registering a foreign bill protested, with certificates, . . . . .	0.75
For registering a protest of a bill of exchange, or note for non-payment or non-acceptance, . . . . .	0.25
For every oath or affirmation, and seal, . . . . .	0.50
For a notarial procuration, and seal, . . . . .	1.00
For certifying sales at auction, and seal, . . . . .	0.75
For taking proofs of debts, to be sent abroad, or proof and acknowledgment of letters of attorney, and seal, . . . . .	0.75
For protest in insurance cases, and seal, . . . . .	1.00

## THE NEW SUPPLIES OF GOLD.

## FACTS AND STATEMENTS RELATIVE TO THEIR ACTUAL AMOUNT, AND THEIR PRESENT AND PROBABLE EFFECTS.

- I.—STOCKS AND ANNUAL PRODUCTION OF GOLD AND SILVER.—1. *Quantities of Gold and Silver previous to 1848.*—2. *Annual production of Gold and Silver previous to 1848.*—3. *Production of Gold in California, 1848-1853.*—4. *Production of Gold in Australia, 1848-1852.*—5. *Quantities of Gold Bullion exported from Great Britain.*—6. *Estimate of Gold raised in New South Wales.* *Production of Gold in California and Australia.*
- II.—APPLICATION OF THE NEW SUPPLIES OF GOLD RAISED FROM 1848 TO 1852.—1. *Mint legislation of the United Kingdom.*—2. *Mint legislation of France and the United States.*—3. *Coinage of the British Mint to May, 1853.*—4. *Coinage of France and the United States to 1852.*—5. *Comparison of the total recent coinage with the total recent production of Gold.*
- III.—FACTS CONNECTED WITH THE EFFECTS ALREADY PRODUCED BY THE NEW SUPPLIES OF GOLD.—1. *The effects produced in Great Britain on the rate of interest, and on the supply of and demand for capital.*—2. *Condition of the reserve and private securities of the Bank of England, January 1851 to June, 1853.*—3. *Questions connected with the price of Silver in London, 1851-2.*—4. *Remittances of Silver to India.*—5. *Rise in the price of Silver in Paris in 1850.*—6. *M. Faucher's explanation.*—7. *Increased production of Silver since 1848.*—8. *Fall in the price of Quicksilver.*—9. *Metallic reserves of the Bank of France, 1848-1852.*—10. *Circulation of Bank Notes in Great Britain, 1848-1853.*—11. *Alterations in the rate of discount, 1851-3.*
- IV.—INFERENCES FROM THE FACTS NOW BROUGHT FORWARD.—1. *Preliminary observations.*—2. *Impressions generally entertained relative to the effects of the new Gold.*—3. *Extent to which the new Gold has, in Great Britain, been added to the circulation.*—4. *Increased requirements for Coin and Bank Notes.*—5. *The same inquiry as regards France and the United States.*—6. *General remarks.*—7. *Operations of the new Gold on the rate of discount.*—8. *Effects of a reduced rate of discount.*—9. *Increased requirements for capital.*—10. *Influences which may permanently raise prices.*
- V.—SPECULATIVE QUESTIONS RELATING TO THE FUTURE PROBABLE EFFECTS OF THE NEW GOLD.—1. *Statement of some of these questions.*—2. *Effect of increased demand on production and prices.*—3. *Influence of debtor and creditor contracts, and on fixed incomes.*—4. *Necessary qualifications of the inquiry.*—5. *Effects as regards the amount of capital required.*—6. *Effects on the value of land and securities.*—7. *Special circumstances.*

It is now five years since the first discovery of gold in California, and two since its discovery in our own colony of New South Wales; and a period has arrived when there is reason to believe that some of the permanent, as distinguished from the merely temporary, consequences of those great events have begun to manifest themselves. In this country, we have seen the reserves of bullion in the Bank of England accumulate rapidly beyond all former precedent, and then diminish; and although the diminution has been by no means unexampled, it has taken place in a manner and to an extent which are certainly remarkable, when the surrounding circumstances are considered. We have seen, also, a curious and important change in the rate of discount. A year ago, the extreme depression of the rate of discount, and, to some extent, the rate of interest also, was a topic of general remark, and with those whose profits or incomes are derived from the employment of money capital, it was a subject of no small anxiety as regarded the future. Six months afterwards, a change occurred in the direction of advance, and that change has become more confirmed with the lapse of every month. At a very recent period, the country was disposed to think that one of its greatest inconve-

niences was its large and rapid accumulation of capital—an accumulation supposed to be in process of swift, excessive and indefinite increase, owing to the produce of its gold colonies. That opinion, however, is now much modified, and does not meet with so ready an acceptance. During the present year, we have begun to trace a palpable rise in the wages of labor; and we have witnessed a rise, or a tendency to rise, in the prices of classes of commodities, which are important either from the magnitude or the multiplicity of the articles which compose them. We seem to have already reached that stage in the process of distributing the produce of the gold-fields both of Australia and California, at which this country—and, practically speaking, the Bank of England, which, in these operations, represents the country—has ceased to be the central and (more or less) fixed place of deposit of the new gold which is sent from the countries of its production to those commercial communities in which it will most readily, and with most advantage, command other objects of wealth. At present, the new gold is attracted to this country rather as a channel of transit than as a place of lodgment.

These are a few of the reasons which appear to justify us in supposing that what we have called the merely temporary consequences of the gold discoveries—that is to say, the early and incidental disturbances, moral and material, arising from the first shock of those discoveries—have in a great measure passed away, and have been replaced by a commencement of those greater and more fundamental changes by means of which the new supplies of gold will, with more or less rapidity, modify the commercial and social relations of the civilized world. It is extremely desirable, however, that we should not generalize too hastily on a subject where facts are so few, and sources of error so plentiful; and it is especially important that we should not permit the magnitude or the interest of the events under discussion to confuse and obscure our reasonings on those points and details of the case, respecting which we happen to possess adequate evidence.

With these views of the importance and difficulty of the subject, we shall endeavor to trace with some degree of care, first of all, the facts of the question; and having satisfied ourselves as far as possible with reference to those data which admit of being stated with some approach to certainty, we shall endeavor, in the next place, to elucidate the present aspect of those reasonings and theories respecting the future, to indulge in which there is so strong and natural a tendency.

In the first place, then, as to the facts:

#### I.—STOCKS, AND ANNUAL PRODUCTION OF GOLD AND SILVER.

##### (1.) *Quantity of Gold and Silver previous to 1848.*

It will be readily understood that, in all reasonings and speculations on the actual or future effect of the new gold discoveries, it must be a primary object to form some proximately correct opinion as to the quantities of gold and silver existing in various forms in the commercial parts of the world, immediately before the discovery of the Californian sources of supply. If we know, with some degree of exactness, the quantities of the precious metals to which the additions have been and are being made, we may, perhaps, discover some means of measuring the effect of those

additions on the value of the pre-existing quantities; whilst, in the absence of such knowledge, our speculations can be little more than mere efforts of imagination.

Now, although there is no really statistical statement to be obtained of the quantities of gold and silver existing in the commercial parts of the world—that is to say, in Europe and America—at the commencement of the year 1848, certain results have nevertheless been arrived at by the researches and discussions of competent authorities; and those results are entitled to considerable attention. They are undoubtedly no more than approximate statements, but they are statements which we may, under all the circumstances, safely adopt as the basis of our subsequent reasonings.

As regards the quantity of gold and silver produced in North and South America, from the time of the discovery of Columbus to the year 1848, the evidence and statistics connected with that interesting question have been investigated by Mr. Danson, in a paper which forms one of the most valuable contributions to be found in the series of the *Statistical Journal*. (See *Statistical Journal*, vol. xiv., for 1851.) The results of Mr. Danson's researches are entitled to great confidence, and, for all practical purposes, we may regard the conclusions at which he has arrived respecting the American supplies, as those which ought to be accepted in the present inquiry.

In the following statement, we have endeavored to compile, from various portions of Mr. Danson's paper, such figures as will most readily convey some idea of the quantities of gold and silver obtained in America down to two years, viz., 1803 and 1848. The periods taken, therefore, will be from 1492 to 1803, (or 311 years;) and from 1492 to 1848, (or 356 years.) It will be seen, also, that, from the total quantities obtained, certain deductions are made, so as to show the quantities of gold and silver, the produce of America, existing in various forms in Europe and America in 1803 and 1848. The statement is as follows:—

RESULTS COMPILED FROM MR. DANSON'S PAPER.

	Silver.		Gold.		Totals.	
	In 1803. Mil. £.	In 1848. Mil. £.	In 1803. Mil. £.	In 1848. Mil. £.	In 1803. Mil. £.	In 1848. Mil. £.
Total quantity obtained in North and South America from 1492, . . .	881	1080	291	483	1172	1563
Deduct for wear and tear and casualties on stock of gold and silver in use in North and South America, say $\frac{1}{2}$ per cent. per annum, 1492—1803, and $\frac{1}{4}$ per cent. per annum, 1803—1848, . . . . .	7	19.2	1	2.4	8	21.6
	874	1060.8	290	480.6	1164	1541.4
Deduct for quantities sent from America elsewhere than to Europe, since 1492, . . . . .	24	40	2.6	4.5	26.6	44.5
Leaving, as existing in various forms in Europe and North and South America, of gold and silver, the produce of North and South America, the following quantities,	850	1020.8	287.4	476.1	1137.4	1496.9

NOTE.—In this table, piastres and dollars are converted into sterling at an approximate exchange of 5 per £.



From other sources, and by the researches of other inquirers, results similar to those obtained by Mr. Danson, with respect to America, have been obtained as regards other parts of the world; and, collecting all the data together, we are able to construct the following statistical estimate. We may remark that, although the figures which it contains are few, they have been by no means easily arrived at.

**TABLE I.**—*Estimate of the value of the total quantity of Gold and Silver existing in various forms in Europe and America at the commencement of the year 1848, subject to certain deductions hereafter pointed out.*

THE PRODUCE OF	Silver £ Millions.	Gold £ Millions.
America, . . . . .	1,021	426
Europe, . . . . .	80	25
Russia, . . . . .	13	44
Africa and other places, . . . . .	..	100
	<hr/>	<hr/>
	1,114	595
As existing A. D. 1500, . . . . .	28	12
	<hr/>	<hr/>
	1,142	607
	<hr/>	<hr/>
Total millions, . . . . .		£1,749

From this total sum of 1,749 millions sterling, representing the quantity of gold and silver existing in Europe in the year 1500, together with the subsequent produce of various parts of the world, it is clear that a very large deduction must be made: (1) for exportations to Asia; (2) for the wear and tear of coin, gilding, ornaments, &c.; and (3) for losses by fire, shipwreck, and other casualties. There are no means of forming more than very vague conjectures as to the proper amount of these deductions. So far, however, as such conjectures have been formed, they point to the following results:

	Silver. £ Millions.	Gold. £ Millions.	Total. £ Millions.
Deductions referred to above, . . . . .	850	50	400
	<hr/>	<hr/>	<hr/>
Leaving . . . . .	793	557	1,349

as the respective amounts of gold and silver existing in various forms in Europe and America at the commencement of the year 1848, or immediately prior to the influx of the California supplies.

There can be no question of the existence of large accumulations of the precious metals in various parts of Asia—in India, in China, and in Central Asia, for example; but as far as immediate commercial effects are concerned, these accumulations may be almost disregarded. They constitute large inert masses, which will be impervious for many years to come, to the influences which already agitate profoundly both Europe and America.

It is not necessary to refer at any length to the figures of the last table, and it may be sufficient to point out the comparatively small amount of gold and silver existing in Europe in the year 1500, or at the discovery of America.

(2.) *Annual Production of Gold and Silver previous to 1848.*

With a numerical statement before us of the quantities of gold and silver in Europe and America in the early part of 1848, the next step is to ascertain what were the annual supplies at that time. Knowing the total stock, we next want to know the annual supply required to maintain its value at something like a uniform level; and this inquiry is answered, as far as it can be at present, by the following table (II.)—the result, like the preceding one, of the labors of many inquirers:

TABLE II.—*Estimated value of the annual quantities of Gold and Silver placed in the markets of the world in the year 1800, and in the early part of the year 1848—in millions and decimals of millions sterling.*

THE PRODUCE OF	SILVER.				GOLD.			
	1800.	1848.	1848.	1848.	1800.	1848.	1848.	1848.
	Mil.	Mil.	less Mil.	more Mil.	Mil.	Mil.	less Mil.	more Mil.
America, . . . . .	7	6.20	.80	...	1.92	2.10	..	.18
Europe, excluding Russia, but including Turkey, . . . . .	.56	1.32	..	.76	.14	.36	..	.22
Russia, . . . . .	.20	.21	..	.01	.09	4.10	..	4.01
Africa, . . . . .	..	..	..	..	.23	.55	..	.27
Archipelago of Asia, . . . . .	..	.90	..	.82	.65	2.80	..	1.97
Various other sources, . . . . .	.08	..	..	..	..	..	..	..
1848 over 1800 more, . . . . .	7.34	8.63	.80	1.59	3.26	9.91	..	6.65
Per centage on total stock existing in Europe and America in 1848, . . . . .	p. ct. 1.	p. ct. 1.09	£790,000		p. ct. 6	p. ct. 1.78	£6,650,000	

We have, in these figures, given the state of the annual supply not merely in 1848, but half a century previously, or in the year 1800; and it is important that the facts with respect to each of these two periods should be carefully examined. The leading points of the comparisons are, that while the supplies of silver had increased only 10 per cent., the annual supplies of gold had increased more than 200 per cent. It may be admitted that, during the interval, some change had taken place in the value of gold as compared with silver; but the constancy of the relative value of gold and commodities justifies us in concluding that an increase in the annual supply of that metal, from three and a quarter millions sterling in 1800, to ten millions sterling in 1848, had not been greater than was required by the wants of the expanding commerce and growing population of the world.

In 1848, the annual supply of new gold was at the rate of less than two per cent. on the total stock of that metal then existing in Europe and America; and the annual supply of new silver was at the rate of more than one per cent. on the corresponding total stock of silver.

(3.) *Production of Gold in California, 1848—1853.*

In 1848 began the Californian supplies; and in May, 1851, gold was first found at Bathurst, (New South Wales,) and in October of the same year, at Mount Alexandria, (Victoria.) We have to ascertain, therefore,

the extent of the changes which have been produced by these events in the annual supplies of the metal since 1848.

As regards the produce of the Californian mines down to the end of 1852, we possess tolerably accurate means of framing a return; and in the following table we have availed ourselves of such official papers from the United States as were necessary for presenting the general conclusion in the shortest and simplest form:

TABLE III.—*Statement from official sources of the deposits of Gold Dust and Bullion, the produce of United States Territory, at the four Mints of the United States, (New Orleans, Philadelphia, Charlotte, and Dahlonega,) during the 5 years ended Dec. 31, 1852, converting dollars into sterling, at five dollars per pound.*

Years ended 31st Dec., 1848,	. . . . .	£8,800
" " 1849,	. . . . .	1,229,500
" " 1850,	. . . . .	7,218,000
" " 1851,	. . . . .	11,187,600
" " 1852,	. . . . .	10,806,700
		<hr/>
		£30,445,600

NOTE.—There seems to be good reason to believe, that the total produce of gold in California during the five years ended Dec. 31, 1852, was about £10,000,000 more than the preceding amount, or was equal to about forty millions sterling. Messrs. Husey, Bond & Co., of San Francisco, in an intelligent circular, dated July, 1852, furnish estimates which appear to lend great support to the substantial accuracy of this general result. The deposits at the United States Mints are ascertained facts; but, in addition to the gold dust and bullion deposited at those mints, there were the quantities (1) exported direct to Europe, South America, and other places; (2) the amounts carried from California by passengers to foreign countries; and (3) the amounts retained for circulation and as hoards in California itself and the immediate surrounding region.

(4.) *Production of Gold in Australia, 1848—1852.*

The preceding figures pretty well answer our inquiry as regards California. As regards Australia, we have resorted to the Blue Books of colonial correspondence already published by Parliament; and, after comparing and collating with some care the statistics to be found in various parts of those voluminous collections, we have arrived at the following conclusion:

TABLE IV.—*Statement compiled from the Blue Book of February, 1853, of the quantities of Gold Dust and Bullion exported by sea, or forwarded by Adelaide by escort from the Provinces of New South Wales, (Sidney) and Victoria, (Melbourne, Geelong and Portland,) during the periods as under, with such corrections introduced as prevent the inter-colonial shipments of gold from being included more than once.*

Periods.	The produce of		Total.
	New S. Wales. oss.	Victoria. oss.	
May 29, 1851, to Dec. 31, 1851, (7 mos.)	113,454	. . . .	} 253,570
Oct. 20, 1851, to Dec. 31, 1851, (2 mos.)	. . . .	145,116	
Jan. 1, 1852, to June 30, 1852, (6 mos.)	833,082	797,904	1,180,986
July 1, 1852, to Oct. 31, 1852, (4 mos.)	(No return)	809,861	869,651
		<hr/>	
Total Ounces, . . . .	446,536	1,812,701	2,259,237

The official returns do not enable us to continue this last table beyond the 30th of June, 1852, as regards New South Wales, and the 31st of October, 1852, as regards Victoria. From returns, however, which were compiled at the end of 1852, by some of the colonial newspapers, we

may bring down the figures of Table IV. to the 31st December, 1852. It is to be observed, however, that the *supplemental* figures do not go further than to furnish the *exports* from the two provinces, without distinguishing between the *produce* of the two. The result will then be as follows:

TABLE V.—Quantities of Gold Bullion exported, &c., being a continuation of the official figures in Table IV., the supplemental figures not being derived from official sources.

Periods.	Produce of or exported from		Total.
	N. S. Wales.	Victoria.	
Totals of Table IV., . . . . .	446,536 oz.	1,812,701 oz.	....
July 1, 1852, to Dec. 31, 1852, (6 mos.)	709,759	....	....
Nov. 1, 1852, to Dec. 31, 1852, (2 mos.)	....	566,267	....
	1,156,295 oz.	2,378,968 oz.	....
<i>Abstract.</i>			
1851, (7 mos.) . . . . .	118,454 oz.	....	} 258,570 oz.
" (3 mos.) . . . . .	....	145,116	
1852, (12 mos.) . . . . .	1,142,841	2,233,852	8,876,698
Total quantity of ounces, . . .	1,256,295 oz.	2,373,968 oz.	8,635,263 oz.
Total value at £3 17s. per oz., . .	£4,840,000	£2,160,000	£14,000,000

It is not to be supposed that the quantities actually exported from the two provinces represented the total produced; nor is it to be supposed that the quantities of gold sent by public escort from the gold fields to the capital towns of Sydney, Melbourne and Adelaide, represent the total produced. Considerable amounts of the metal are conveyed by private persons—are retained in private hoards—remain in a state of circulation, or are held awaiting higher prices, or particular modes of conveyance to other parts of the world. In all the returns which have thus far appeared, except the official and semi-official statements of actual exports, and of actual deliveries by the government escort, we find great confusion and perplexing contradictions. Having availed ourselves, as far as possible, of the statements of exports, we shall not embarrass the reader's attention by any attempt to reduce to a general result the returns of the quantities conveyed by escort, but shall rather make the best use we can of the most intelligent estimates which have been formed of the *total produce* of the gold fields of New South Wales and Victoria, from the discovery of the metal in the summer and autumn of 1851, to the end of the year 1852. Pursuing this plan, we have arrived at the following result:

TABLE VI.—Estimate of the quantity of Gold raised in the provinces of New South Wales and Victoria, during the period from May, 1851, to the 31st December, 1852.

	Ounces.	Value at 71s. per oz.
Victoria, . . . . .	4,000,000	£15,400,000
New South Wales, . . . . .	820,000	1,232,000
Totals, . . . . .	4,820,000	£16,632,000

NOTE.—In the quantity of 4,000,000 ounces from Victoria, is included the quantity of 222,000 ozs. which is stated to have been sent from the diggings of Victoria to Adelaide, by the Adelaide escorts of March to December, 1852.

One of the best and most intelligent statements which have reached this country from Australia, relative to the total produce of gold to the

end of 1852, is found in a paper read before the Melbourne Chamber of Commerce in February, 1853, by Mr. Westgarth, a member of the Colonial Council, and a gentleman whose name is already well known in this country as a writer on colonial statistics. Mr. Westgarth's statement extends only to the province of Victoria, and is, we think, exaggerated. If accepted, it would go to show that the gold produce of Victoria *alone*, to the end of 1852, was no less than eighteen and a half millions sterling. At present, we are not prepared to regard such a statement as accurate. We are happy, however, to avail ourselves of Mr. Westgarth's table, and we shall be glad if some competent authority will enable us to detect any errors which may exist either in our own statement or in that gentleman's. The following is the table:

TABLE VI. A.—*Province of Victoria, (Australia.) Statement and estimate of the total produce of Gold in that province, to the end of 1852, laid before the Melbourne Chamber of Commerce, in February, 1853, by W. Westgarth, Esq., Member of the Legislative Council of the Province.*

	Ascertained. ozs.	Estimated ozs.	Total ozs.
Exported, per official returns, . . .	2,120,121	....	} 2,348,654
Ditto, overland to Adelaide, . . .	228,538	....	
Unrecorded exports to N. S. Wales, .	864,918	465,000	829,918
“ Van Diemen's Land, . . .	177,680	67,000	244,680
“ South Australia, . . .	327,918	20,000	347,918
“ England, India, &c., . . .	....	50,000	50,000
Total exports, . . .	3,219,160	602,000	3,821,160
On hand in the colony, . . .	709,766	860,000	1,069,766
Total produce—ozs. . . .	3,928,926	962,000	4,890,926
Produce in 1851—ozs. . . .	145,146	290,000	345,146
“ 1852 “ . . . .	3,783,780	762,000	4,545,780
ozs. . . .	3,928,926	962,000	4,890,926
At 77s. per oz., . . . .	£15,026,865	£3,508,700	£18,530,065

(5.) *Total production of Gold in California and Australia, 1848-53.*

Taking the results of Tables III. and VI., it appears that the following have been the total additions of gold from California and Australia, during the five years ended with 1852, to the previous stocks of the precious metal in the markets of the world:

Estimated stock of gold in Europe and America in 1848, . . .	£557,000,000
Produced (1848-1852) in California, (five years,) . . .	40,000,000 }
“ “ Australia, (1½ years,) . . .	16,000,000 }
	56,000,000
	£613,000,000

The produce of the five years was equal, therefore, to 10 per cent. on the stock of gold in 1848.

And, still carrying out the principle of collecting into the smallest focus the results at which we arrive in the progress of our inquiry, we have the following abstract of the annual supplies of gold at the three periods, 1800, 1848, and 1852.

TABLE VII.—*Estimated value of the annual quantities of Gold brought into the markets of the world in the year 1852, in millions and decimals of millions of pounds sterling. The corresponding figures for 1800 and 1848 are added for facility of comparison.*

<i>The produce of</i>	1852.	1848.	1800.
All sources, except California and Australia,	9 40	9.91	8.26
California, . . . . .	12.50	...	...
<b>Totals, . . . . .</b>	<b>21.90</b>	<b>9.91</b>	<b>8.26</b>
Per centage on total stock of 557 millions } sterling of gold existing in Europe and } 7 per ct. America in the early part of 1848, } 2 per ct.			

(6.) *Production of Gold in California and Australia, January to May, 1853.*

Up to the present time, there are no complete accounts of the yield of the Australian mines during the present year; but, so far as concerns California, the returns of the United States Mints show conclusively that, up to the end of May, 1853, the produce of gold during this year is at least fully equal to that of 1852. The following are the figures:

TABLE VIII.—*Deposits of Gold and Silver Bullion at the two principal Mints of the United States (Philadelphia and New Orleans) during the months, as under, of 1853, converting dollars into sterling, at five dollars per pound.*

1853.	Gold.	Silver.
January, . . . . .	£1,054,400	£4,000
February, . . . . .	753,400	3,820
March, . . . . .	1,502,000	4,500
	£3,309,800	£11,820
April, (Philadelphia only) . .	953,200	510
May, " " . . .	885,000	289,400
June, " " . . .	906,600	185,600
July, " " . . .	696,400	122,200
	£6,751,000	£259,580

To this statement of the progress of Californian supplies in the current year, we may add the following figures, which, without being official, are put forward at Melbourne as representing a larger portion of the yield of the Victoria Gold Fields, from January 1 to March 31, 1853. It will be observed that the deliveries in Melbourne show a decline in each month. It is said, however, that there are local circumstances affecting gold mining quite sufficient to account for this decline, without supposing any failure in the quantity of the gold itself.

TABLE VIII. A.—*Province of Victoria, (Australia.) Statement of Gold arrived in Melbourne by escort, during the first three months of 1853.*

	Oz.	Value at 77s.
January, 1853, . . . . .	186,015	£716,157
February, . . . . .	172,329	663,466
March, . . . . .	169,654	653,167
	527,998	£2,032,790

## II. APPLICATION OF THE NEW SUPPLIES OF GOLD RAISED FROM 1848 TO 1852.

### (1.) *Mint legislation of the United Kingdom.*

We have thus far spoken only of the quantities of gold and silver existing in the year 1848, and of the quantities of new gold produced since that year.

We must now endeavor to trace the uses to which those new supplies of the metal have been applied; and the most important of them will be found to be that of coinage.

We have access to very complete returns of the coinage of gold in this country, in France and in the United States, during the last five years; but before presenting abstracts of these returns, it will be convenient to say a few words with reference to the amount and circumstances of the gold coin of those countries before 1848, and at the present time.

As regards the United Kingdom, it is hardly necessary to say, that since 1816 we have had a standard exclusively of gold—that there is no seignorage on the coinage of that metal, the loss to the depositors of gold bullion for the purpose of conversion into coin being confined to the interest on the capital represented by the bullion, for the period during which it may lie at the Mint, and that silver is with us, in effect, nothing more than a token-coinage, being debased when in the form of coin to the extent of six per cent., and not being a legal tender beyond forty shillings. In this country, therefore, the only causes leading to the coinage of gold are either—1. The requirements, by bankers and others, of gold coin for the supply of demands arising in the usual course of business; or 2, as occurred at the close of last year, a demand for gold coin for export to some colony or country where gold is more valuable in the shape of coin than in the shape of bullion. It is well known that, towards the close of last year, a large demand for gold coin for Australia suddenly sprung up, arising out of the fact that at Sydney and Melbourne gold dust and bullion of a quality better than standard were selling at twenty-five per cent. below the Mint price. The gold coin sent from this country was intended to buy the bullion of Australia at prices calculated to yield a profit more or less ample.

Previous to 1848, it was generally supposed that the amount of gold coin in circulation in the hands of the public in the United Kingdom was equal to about 30,000,000, not including in that sum the amount which might form part of the bullion reserve of the Bank of England.

### (2.) *Mint legislation of France and the United States.*

In France, the law relating to the gold and silver coinage is different from the law of this country. Among our neighbors, both metals are legal tender according to a certain scale of relative value, and it depends therefore entirely on the degree in which the actual value of gold and silver in the markets of the world coincides with, or varies from, the arbitrary proportions of the Mint law, whether, in the payment of debts,

gold shall be employed in preference to silver, or silver in preference to gold. If, for example, gold coin bore a premium or *agio* compared with silver coin, every debtor would discharge his obligations in the cheaper medium of silver, and gold coin would be comparatively unused. If, on the other hand, the premium or *agio* passed from the gold and attached itself to the silver coins, then gold coin would be largely in demand, as the cheaper medium of payment. Gold bullion would be turned into coin, and silver coin would be turned into bullion.

This statement will fully explain the statistics to be presently introduced, showing the large extent to which gold was coined in France during the two years, 1850–51. Previously to those years, gold had long borne a premium, or *agio*, at Paris, compared with silver, equal to three or four francs per 1,000 francs; or, as the phrase was, “the premium on gold was three per mille.” There was, therefore, no coinage of gold, and the demand for coin was very small. During 1850 and 1851, in consequence of changes which we shall by and by investigate, the premium passed from the gold and fixed itself on the silver—in other words, gold coin fell to a discount compared with silver; and hence arose the large coinage of the former metal, in the years in question. In 1852, however, the former state of things was for the most part restored. Gold either bore a premium or was at par with silver, and, therefore, the coinage of gold in France was but trifling. It is to be regretted, however, that the available returns do not enable us to state precisely what the amount of the gold coinage of 1852 really was.

The quantity of silver coin in actual circulation in France has always been very large, and that of gold coin comparatively very small. Prior to 1848, it was estimated, on good grounds, that the amounts were 120 millions sterling of silver coin, and 14 millions sterling of gold coin.

In the United States the mint legislation has resembled that of France, both metals being a legal tender. And as the Congress Act of 1834 overvalued gold as compared with silver, in other words, made it cheaper to pay a debt in gold than in silver, there has been a tendency to introduce gold into circulation in the United States as the more advantageous medium of legal tender. It has also been to some extent an object of State policy to encourage the introduction of gold coinage as a means of reducing the circulation of the smaller notes of the banks. It was estimated, prior to 1848, that the amount of gold in circulation in the United States was not more than ten millions sterling.



(3.) *Statistics of Coinage of the Royal Mint to May, 1853.—Coin sent to Australia.*

We may now introduce the statements of the amount of gold and silver coinage, and we commence with the returns of our own Mint:

TABLE IX.—*Statement from official sources (Parliamentary Papers, 103 and 365, 1853,) of the value of the coinage of Gold and Silver at the Royal Mint during the years as under.*

<i>Years ended 31st Dec.</i>	<i>Gold.</i>	<i>Silver.</i>
1848, . . . . .	£2,452,000	£85,400
1849, . . . . .	2,178,000	119,600
1850, . . . . .	1,492,000	129,000
	£6,122,000	£284,000
1851, . . . . .	4,400,000	63,000
1852, . . . . .	8,742,000	190,000
	£19,264,000	£262,000
1853, 1st Jan. to 31st March, three months, . . . . .	4,835,000	93,000
	£23,600,000	£655,000

The striking features of this table are the large amount of gold coinage in 1851, the still larger in 1852, and the yet further increase in the first three months of the present year, (1853.)

It is very difficult to ascertain, with any approach to precision, the quantity of gold coin sent from this country to Australia in 1852, and also in the early months of 1853. It is stated in a circular published at Melbourne in February, 1853, that the amount which arrived in the province of Victoria in 1852, was not less than £2,500,000; and as gold coin arriving at Melbourne at the end of December, 1852, must have left London three or four months previously, and as considerable shipments of coin were subsequently sent to Australia, it is not improbable that as much as £9,000,000 of gold coin has, since January, 1852, been sent from this country to the Australian colonies.

(4.) *Statistics of the coinage of France and the United States to 1852.*

The next return relates to France, and is as follows:

TABLE X.—*Statement from official sources of the value of the coinage of Gold and Silver at Paris, during the years as under. Exchange 25 francs per £.*

<i>Years.</i>	<i>Gold.</i>	<i>Silver.</i>	<i>Total.</i>
1849, . . . . .	£1,090,000	£7,860,000	£8,450,000
1850, . . . . .	4,600,000	3,000,000	7,600,000
1851, . . . . .	9,640,000	2,270,000	11,910,000
	£15,330,000	£12,630,000	£27,960,000

The large gold coinage of 1851, and the small silver coinage of the same year, illustrate the observations made above.

We now come to the returns of the United States Mints :

TABLE XI.—*Statement from official sources of the value of the total coinage of Gold at the four Mints of the United States, during the five years ended 31st December, 1852, converting dollars into sterling, at \$5 per £1.*

Years ended Dec. 31st.	£
1848, . . . . .	179,000
1849, . . . . .	1,415,900
1850, . . . . .	7,888,000
1851, . . . . .	10,626,000
1852, . . . . .	10,808,000
	<hr/> £80,411,000

NOTE.—Not more than three per cent. of the total of the above gold coinage is obtained from bullion, the produce of placers other than United States territory; in other words, ninety-seven per cent. of the above amount is obtained from gold bullion, the produce of California. It is also important to state, that the total amount of the gold coinage of the United States, from the establishment of the oldest of the mints in 1792 to the end of 1847, (a period of 55 years,) is returned as being only £2,561,000. The total coinage of silver in the United States during the five years above has been under £900,000 per annum.

And the following Table will conveniently collect into one view the statistics of the gold coinage of the three countries for the period 1848–1852 :

TABLE XII.—*Aggregate statement of the value of the coinage of Gold at the Mints of Great Britain, France and the United States, during the years as under.*

Years.	Great Britain. £	France. £	United States. £	Total. £
1848, . . . . .	2,452,000	No return.	179,000	2,631,000
1849, . . . . .	2,178,000	1,090,000	1,415,000	4,683,000
1850, . . . . .	1,492,000	4,600,000	7,883,000	13,490,000
Total, 3 years,	6,122,000	5,690,000	8,982,000	20,794,000
1851, . . . . .	4,400,000	9,640,000	10,626,000	24,666,000
1852, . . . . .	8,742,000	No return.	10,808,000	19,545,000
Total, 2 years,	13,142,000	9,640,000	21,434,000	44,216,000
Total, 5 years,	19,264,000	15,330,000	30,411,000	65,005,000
1853,—8 months, . . .	4,336,000	No return.	.....	} 9,386,000
1853,—5 months, . . .	.....	do.	5,000,000	

(5.) *Comparison of the total recent coinage with the total recent production of Gold.*

We have already seen that the total amount of gold produced in California and Australia during the five years ending with 1852 was fifty-six millions sterling.

And it further appears by the preceding table that the gold coinage during the same period, and of which we have specific returns, was sixty-five millions, or nine millions more than the total produce of California and Australia.

Of these sixty-five millions, however, of coinage, a considerable part

was supplied by the stocks of gold existing in Europe and America, but mainly in Europe, in 1848. The gold coinage of France in 1850 and 1851 was, in particular, largely furnished from this source; and there is reason to believe that of the sixty-five millions, fifteen millions is not too large an amount to assign to the stocks of gold existing in 1848. According to such a supposition, it would seem that to the end of 1853, all the gold produced in California and Australia had been converted into coin, with the exception of six millions.

It is hardly accurate, however, to make the statement in this form, because we know as a matter of certainty that no such quantity as fifty millions of the identical gold produced in California and Australia had been converted into coin at the end of 1852. Of the fifty-six millions raised in those two countries, a very large sum was scattered through a multitude of channels, and existed in a variety of the rudest forms.

It is to be remembered, also, that the fifty-six millions in question was by no means the total produce of gold from *all* sources of supply during the five years 1848-52. In Table VII. we have estimated at nine and a half millions sterling, the annual supply of gold in 1852 from sources *other* than California and Australia; and it is highly probable that during the five years (1848-52) the quantity of gold obtained from those other sources, was not less than forty-four millions sterling, making, therefore, the *total quantity* produced in all parts of the world during the period in question equal to (46+44) one hundred millions sterling. We must again remember, however, that of the forty-four millions, as of the fifty-six, a very large portion existed in forms which precluded it from exercising any influence either in Western Europe or in America.

And it is further to be considered, that the annual supplies of gold (equal to about nine millions sterling) before 1848 had been maintained for some time, without producing any apparent disturbance in the relation of gold to silver and to commodities. We may, therefore, in our reasonings on new discoveries, assume that the *old supply* of about nine millions suffices to meet old wants; and in endeavoring to estimate the effects which may be expected to arise from the new discoveries, it is not an inaccurate mode of investigation to confine ourselves to the statistics of the gold production within the sphere of those new discoveries.

### III.—FACTS CONNECTED WITH THE EFFECTS ALREADY PRODUCED BY THE NEW SUPPLIES OF GOLD—AND FIRST, THE EFFECTS PRODUCED IN THE UNITED KINGDOM ON THE RATE OF INTEREST, AND ON THE SUPPLY OF, AND DEMAND FOR, CAPITAL.

#### (1.) *Order of Inquiry.*

We have now seen something of the facts connected with what may be called the first three elements of the inquiry, namely:—First, the total quantity of gold and silver existing in various forms in Europe and America in 1848; secondly, the annual supplies of gold in 1848, and in 1852, when those annual supplies had been augmented by the new discoveries; and thirdly, the extent to which the new supplies of gold

have been absorbed by coinage in England, France and the United States.

There still remain three other divisions of the question upon which it is necessary that we should have before us as many facts as possible before we attempt any generalization. These divisions are,

First, the effects produced in this country on the rate of interest, and on the supply of, and the demand for, capital, by the influx of the new gold.

Secondly, the effects produced, directly or indirectly, on the prices of commodities and the wages of labor.

And lastly, the effects produced in the Australian colonies themselves.

(2) *Condition of the reserves and private securities of the Bank of England, January, 1851, to June, 1853.*

We will commence our inquiries on the first of these three topics by introducing the following Table:

TABLE XIII.—*Statement of the amount of the average monthly reserve of the "Banking" Department of the Bank of England; of the amount of private securities held by that department; of the premium or discount on Gold at Paris; of the market price in London of standard Silver; of the drawing rate in London of the East India Company on Bengal and Madras; of the market rate at Calcutta for six months' bills on London; and of the value in sterling of the exports from Great Britain of Gold and Silver to the East Indies and China, from January, 1851, to June, 1853, (2½ years.)*

Banking Department of Bank of England.		Months.	Premium or Discount per mille of Gold in Paris.	Market price in London of Standard Silver per ounce.	East India Company's rate on Bengal.	Market rate at Calcutta for Six Months' Bills on London.	Export to East Indies and China of	
Re-serve.	Privt. Secds.						Silver.	Gold.
£ mils.	£ mils.	1851.		d.	d.	d.	£	£
9.01	12.86	Jan.	par	61½	25	26½	no return.	no return.
9.27	11.40	Feb.	8 dis.	"	"	"	"	"
9.19	12.66	March	"	"	"	"	"	"
7.85	11.89	April	"	61½	"	24½	"	"
8.03	11.81	May	"	"	"	"	"	"
9.05	12.67	June	3, 5 d.	60½	"	25½	"	"
7.75	11.96	July	4, 4½ d.	60½	24½	25	"	"
8.10	12.02	Aug.	"	"	"	24½	"	"
9.70	18.12	Sept.	2 d.	"	"	23½	23,950	2,700
8.97	18.17	Oct.	1 d., par	60¼, ¾	24½	25½	112,000	11,400
9.92	11.42	Nov.	par	60¼, ¾	24	26½	81,480	11,500
12.25	10.97	Dec.	par, 5 p.	60½	"	26½	199,900	60,000
1852.								
11.20	11.03	Jan.	par	60½	"	26½	333,000	7,400
12.32	10.80	Feb.	"	60¼, ¾	"	24½	133,700	102,600
12.51	11.18	March	par, 2 p.	60½	"	23½	95,000	108,000

Banking Department of Bank of England.		Month.	Premium or Discount per mille of Gold in Paris.	Market price in London of Standard Silver per ounce.	East India Company's rate on Bengal.	Market rate at Calcutta for Six Months' Bills on London.	Export to East Indies and China of	
Re-serve.	Privt. Secia.						Silver-	Gold.
£ mils.	£ mils.			d.	d.	d.	£	£
12.11	10.70	1852. April	2 p.	60½, 60	24	23½	65,300	83,500
12.70	10.26	May	4, 5 p.	60, 59½	"	23½	7,850	
18.94	10.25	June	5 p.	59½, 60½	"	24½	67,550	41,000
12.82	10.54	July	4 p.	60½, ½	{ 23 } { 24 }	25½	118,000	50,870
12.95	10.16	Aug.	1 p.	60½	"	25½	88,500	85,900
18.76	10.75	Sept.	1 p.	"	"	24½	471,000	47,400
12.44	11.17	Oct.	1 p.	60½, 61½	25	24½	263,900	114,550
12.81	11.05	Nov.	1 p., par	61½	"	24½	867,600	119,000
12.87	12.60	Dec.	par	61½	"	24½	482,000	56,000
							2,492,500	760,850
10.27	14.02	1853. Jan.	par	61½	"	24½	175,000	51,000
10.18	18.60	Feb.	"	61½	"	25	495,500	51,500
11.23	15.	March	"	61½	"	"	287,000	85,000
9.87	18.95	April	"	61½, 61	"	24½	175,000	71,000
9.11	18.45	May	"	61	24½	"	103,000	48,500
9.29	18.52	June	"	61½	"	"	162,000	18,000
							1,367,500	270,000

The figures in this table will enable us to trace the progress of several important phenomena. In the columns of reserve of the banking department of the Bank of England, and of the private securities held by that establishment, we have a statement of two of the principal elements which govern the bank in the regulation of its rate of discount. It will be seen that we give the reserve of the *banking department*—not the total amount of bullion held in both the banking and issue departments—and the distinction is a vital one. The reserve of the banking department represents resources upon which the directors can calculate with certainty for meeting demands upon them; but if the reserve of the issue department was added, the result of the addition could no longer be so described. In like manner, the private securities—under which head are comprised the bills discounted by the bank—represent more or less perfectly those fluctuations of the demand for mercantile advances upon which the market rate of discount mainly depends.

It will be seen from the table that the *largest* amount of banking reserve, and almost the *lowest* amount of private securities, occurred in June and September, 1852; and that the *lowest* amount of banking reserve was in May last, (1853,) and the *highest* amount of private securities in March. Stated in general terms, the conclusion to be drawn from the two first columns of the tables is, that since September, 1852, such changes have taken place in the reserve and advances of the Bank of

England as not only to lead, but to render it imperative upon the directors, materially to raise the rate of discount.

(3.) *Questions connected with the price of Silver in London in 1851-1852.—Remittances of Silver to India.*

The remaining six columns of the table are intended to elucidate the questions connected with the price of silver.

It will be seen from the first of these columns, that while, in 1851, gold was at a discount at Paris, in 1852 it has been either at par or at a premium. And it will be seen from the second, that throughout the years 1851 and 1852 the price of standard silver in London remained pretty constant at within a fraction of 60d. per ounce, and that the rise in the price to 61½d. since October, 1852, is to be traced mainly to the large demand for silver which sprung up about that time, for the purpose of shipment to India and China.

The fifth and sixth columns of the table give the rates of exchange of London on Calcutta, and of Calcutta on London; and in explanation of these rates, it will be well to say a few words.

The rate of London on Calcutta is governed by the advertisements of the East India Company. The company require an annual transmission of funds from India to this country, to the extent of about £3,500,000; and for some years past it has been the desire of the directors to obtain this amount rather by the sale of their own bills in London than by the purchase of private bills in India. It is clear that whether the revenues of India are charged with £3,500,000 for the payment in India of bills sold in London, or for the payment of bills bought in India and remitted to London, the effect is the same. The rate at which the company can either sell bills in London, or buy bills in India, depends upon the state of the exports to India from this country, and of the imports from India into this country. The exchange being reckoned into pence sterling, the quotation will be highest in Calcutta when the exports thence to England are largest, and lowest when the exports are smallest; and the amount of the exports depends naturally on the state of the English markets. It will be seen that throughout 1851 and 1852, the exchange at Calcutta ranged between 26d. and 24d.; and, taking the par at about 21d., these were high rates. In other words, the balance of payments was against England, and it became profitable to send silver in liquidation of that balance. So long as the purchase in London of the bills of the East India Company yields a more favorable result to the English remitter than the purchase and shipment of silver, so long bills are, and silver is not sent. It will be seen that the largest shipments of silver from England took place from September to December, 1852, or when the East India Company had raised their selling rate on Bengal to 25d.; and it will be seen, also, that the rise in the price of silver in London began about the same time.

The result, therefore, of these facts is as follows: that the price of silver in England, as compared with gold, during the last two years and a half, has been nearly stationary; that a slight rise has occurred since

September, 1852, and that that rise is almost entirely attributable to the demand for silver for the East; that the exports of silver to the East from this country during the twenty-one months from September, 1851, to June, 1853, have amounted to four millions sterling, and the exports of gold to the same quarter, to one million sterling; and lastly, that at Paris there has been, since November, 1851, a restoration of the premium on gold, or, in other words, a *diminution*, as compared with the previous twelve months, of the value of silver, as measured in gold.

(4.) *Rise in the price of Silver in Paris in 1850.—M. Faucher's explanation.*

The point of most interest and importance in this recapitulation, is the remarkable rise which took place in the price of silver at Paris in 1850, and which continued for so many months. The general impression entertained with reference to that change in the value of silver as compared with gold in France is, that it must be regarded as an indication of a fall in the relative value of gold, arising out of the new supplies; and it must be admitted that at first sight there is great plausibility in this view. It will hardly be entertained, however, when the facts have been carefully examined.

Two difficulties occur at the very threshold of such an examination, as regards the depreciation hypothesis, namely: first, the sudden and excessive rise in the price of silver; and secondly, the gradual and complete disappearance of that rise, and the restoration, in its place, of the former premium on gold. There are two further difficulties, also, which become apparent as the inquiry advances; and these are, thirdly, the occurrence in 1850 of special circumstances affecting the gold and silver coinage of France, quite sufficient to account for the rise of silver to a premium; and fourthly, the rapid increase which, since 1848, has taken place in the annual production of silver.

As regards the first two difficulties, the facts contained in the last table (XIII.) leave no more to be said.

As regards the third point, the occurrence of special circumstances sufficient to account for the fact, we are fortunate in being able to refer to a memoir of great clearness, ability and learning, by M. Leon Faucher, entitled *De la Production de l'Or*, which appears in the volume of the "*Annuaire de l'Economie Politique pour 1853*." In the course of his discussion of the phenomena presented by the markets for the precious metals at Paris in 1850, M. Faucher has the following valuable passage:

"The crisis of 1850, when investigated, explains itself. On one side, the annual supplies of silver suddenly fell off; and on the other, gold, rejected by several countries from circulation, reflowed into the countries which still admit gold as a monetary metal, and produced in those countries a temporary encumbrance (*encombrement*.) Hence arose the fall of 4 per cent. in the price of gold, and the rise of 4 per cent. in the price of silver, making, together, a difference of eight per cent. between the two metals.

"This explanation becomes the more clear and precise when we go into an analysis of the facts.

"And, first of all, to investigate the facts which relate to the scarcity of silver. England, which is the principal market of the precious metals in Europe, had seen its importation of them in 1850, reduced by about £1,080,000, and this deficit occurred principally in silver. The remittances from India, which represent annually about £800,000, were almost wholly wanting; those from Turkey and Spain had diminished, although to a smaller extent. At the same time, it had become necessary to remit nearly £1,000,000 sterling of silver to India. The remittances made to St. Petersburg by Messrs. Baring, amounted to about £40,000 in silver. Germany and Holland required more silver than ordinary. The Maritime Society of Berlin imported silver to the extent of £300,000 or £400,000, and the consequence was, that the importation of silver into England having diminished to the extent of £1,000,000 in 1850, and the exportation having increased by probably double that amount, the metallic reservoir became exhausted to the extent of three millions sterling. Add to this that two of the silver-producing countries—Spain and Russia—prohibited the exportation of silver, and it became difficult to carry on ordinary operations with this form of money. It will be readily conceived, under such circumstances, that in those countries in which the monetary laws were not modified, the premium passed from the gold to the silver.

"See, therefore, the causes of the temporary abundance, and of the depreciation of gold, principally in the Paris market. It is quite unnecessary to accuse California, because the receipts of gold from thence did not begin to increase our gold coin till towards the latter part of December, 1850. England itself received only silver from the United States in 1850; and the gold received from California by the direct route of Panama, amounted in that year to only about £682,000. The gold coinage of the Royal Mint (London) in 1850 was only £1,492,000, which of itself excludes the possibility of a considerable importation.

"The Paris market found itself surcharged by the gold coins which the demonetisation of French gold coin in Spain and Portugal, and of gold coin (whether indigenous or foreign) in Belgium, caused to reflow in France. It is also proper to add, that England sent us large sums to be employed in the purchase of French railway shares, and that the value of those sums was not less than £1,000,000. But the dominant cause of the depreciation was certainly the demonetisation of gold in Holland; for the effect of that measure was to annul its monetary value, and to launch, at one step, as a purely mercantile commodity on the general market, metallic riches equal to a whole year's production of California.

"The gold coined in Holland from 1816 to 1847, (thirty-two years,) represent fourteen and a half millions sterling. Supposing that two thirds only of this sum were in existence as coin in 1850, we have eight millions sterling withdrawn all at once from circulation, and thrown upon the market. How is it possible that the value of the precious metals should not be affected? The gold demonetised was equal to twice the annual production of gold in the world before the discovery of the California deposits. The mint at Paris alone, which coined only £1,080,000 of gold



during the year 1849, coined three millions and a half sterling in 1850, and ten millions and a half sterling in 1851.

"Happily the crisis was not of long duration. The gold coined in Paris was presently exported, either to Piedmont, to provide the first instalments of the new loans, or to the Milanese, in payment for the silk purchased for the fabrics of Lyons and St. Etienne. Credit is little developed in Italy. That country has no bank notes to simplify accounts, and which take in large payments the place of specie. They know, therefore, of no mode but the employment of gold coin."

It would be difficult, we conceive, to find any satisfactory answer to the facts and arguments which M. Faucher has here adduced; and we are glad to be able to support by his authority, and to express in his forcible language, our views relative to the extent and consequences of the demonetisation of gold in Holland and some other countries.

(5.) *Increased production of Silver since 1848.—Fall in the price of Quicksilver.—M. Faucher's Statistics.*

There still remains the fourth difficulty, to which we referred above, as opposed to the reception of the depreciation theory, viz.: the increase which has taken place in the annual production of silver since 1848.

M. Faucher devotes a considerable part of the memoir already quoted to this subject; and from that document we compile the following table, reducing the foreign weights and moneys into pounds sterling:

TABLE XIV.—*Silver. Estimates of the total annual production at the dates and by the authorities as under.*

Year 1800, (Humboldt,) . . . . .	£7,720,000
" 1847, (M. Chevallier,) . . . . .	8,000,000
" 1851, (L. Faucher,) viz :	
Mexico, . . . . .	£5,320,000
Chili, . . . . .	880,000
Peru, . . . . .	1,000,000
Bolivia and New Grenada, . . . . .	480,000
Russia and Norway, . . . . .	200,000
Saxony and Bohemia, . . . . .	200,000
Hungary, . . . . .	280,000
Spain, . . . . .	640,000
Rest of Europe, . . . . .	200,000
	<hr/>
	9,200,000
Year 1852, (L. Faucher,) . . . . .	10,000,000

It appears from this table, in the substantial accuracy of which, as regards recent years, we are disposed to agree, that in 1852 the annual produce of silver in Europe and America was not less than 25 per cent. greater than in 1847. The increase in the production of silver has been caused mainly by the discovery of new and prolific mines of quicksilver. Quicksilver, as is well known, enters very largely into the economy of silver mining; and after a silver mine has been worked to a certain point, and has ceased to yield less than a certain per centage of metal, the further prosecution of operations in connection with it becomes a question

to be determined only by the price of quicksilver. In Mexico and the other American silver-mining countries, it is said that  $1\frac{1}{4}$  quintals of quicksilver are required to obtain 1 quintal of silver. California is hardly less remarkable for its gold deposits than for its mines of quicksilver, and the mine of New Almaden, situated at some leagues distance from San Francisco, is described as producing 1,000 lbs. troy per day, or, at 300 working days in the year, 300,000 lbs. troy per annum. New quicksilver mines have also been discovered in Mexico, and, generally, the course of events during the last five years has been to extend greatly the production both of mercury and of silver.

The importations and prices of quicksilver in this country for the last three years and a half, will illustrate this part of the subject, namely :

<i>Years.</i>	<i>lbs.</i>		<i>Prices per lb.</i>
1850, . . . .	855,079	June, 1850,	48d.
1851, . . . .	27,870	" 1851,	45d.
1852, . . . .	2,118,186	" 1852,	86d.
1853, . . . .	1,014,765	" 1853,	28d.
5th Jan. 5th June,			

These figures are remarkable. It will be seen that the fall in price since June, 1850, is not less than 40 per cent. ; and this fall appears to have arisen wholly from increase of supply.

(6.) *Metallic Reserves, &c., of the Bank of France, 1848-1852.*

While on this part of the subject, connected as it is with France, we may conveniently introduce the following statement of the variations in the condition of the Bank of France since 1848.

**BANK OF FRANCE.**

**I. *Statement of total metallic Reserve (nearly all silver coin) at the head office and branches, at dates as under.***

Dec. 1848, . . . . .	£14,000,000
" 1850, . . . . .	19,500,000
Oct. 1851, (highest point reached,) . . . . .	25,000,000
Dec. " . . . . .	22,700,000
June 1853, . . . . .	21,800,000

**II. *Statement of total circulation of Bank Notes.***

	<i>Head office, Paris.</i>	<i>Branches.</i>	<i>Total.</i>
Average of the year 1850,	£18,700,000	£8,000,005	£26,700,000
" " 1851,	17,000,000	4,900,000	21,900,000
Dates of 24th Dec. 1850,	....	....	19,850,000
" " 1851,	....	....	23,820,000
Dates of 9th June, 1853,	19,000,000	6,120,000	25,120,000

The reserve has fallen nearly £4,000,000 from the highest point in October, 1851 ; and the circulation has risen £5,000,000 in about the same time. The rise in the circulation of the Bank of France, corres-

ponds in a great degree with the rise in the circulation of the Bank of England.

(7.) *Circulation of Bank Notes in the United Kingdom, 1848-1853.*

Still continuing our collection of facts as regards the effects produced in this country on the rate of interest, and on the supply of, and demand for capital by the new discoveries, it is necessary to refer, in the next place, to the progress of the circulation of bank notes in the United Kingdom since 1848; and the following table, (XV.) reduced into averages of six months, will bring under review the changes which have occurred:

TABLE XV.—*Statement of the half-yearly average note circulation of the United Kingdom during the periods as under, with the half-yearly average amount of Bullion in both departments of the Bank of England, (compiled from Par. Pap. 524, 1853.*

PERIODS.	ENGLAND.			SCOTLAND.	IRELAND.	Total Bullion in Bank of England.
	Bank of England.	Private and Joint-stock Banks.	Total.	Private and Joint-stock Banks.	Bank of Ireland, Private and Joint-stock.	
	mile.	mile.	mile.	mile.	mile.	mile.
1849, Aug.—Dec. . . .	18.94	6.26	25.20	3.22	4.64	18.82
1849, Jan.—June, . . .	19.48	6.27	25.75	3.05	4.89	14.83
1849, July—Dec. . . .	19.49	6.14	25.63	3.20	4.24	15.40
1850, Jan.—June, . . .	20.51	6.83	26.89	3.14	4.83	16.83
1850, July—Dec. . . .	20.72	6.27	26.99	3.30	4.52	17.85
1851, Jan.—June, . . .	20.33	6.83	26.71	3.20	4.53	14.04
1851, July—Dec. . . .	20.84	6.11	26.95	3.27	4.36	15.01
1852, Jan.—June, . . .	22.25	6.32	28.57	3.27	4.57	19.72
1852, July—Dec. . . .	24.22	6.53	30.75	3.56	5.10	21.60
1853, Jan.—June, . . .	24.02	6.73	30.80	3.52	5.60	19.04

With reference to this table, it is necessary to explain that, according to the Bank Act of 1844, the quantity of notes which the private banks and joint-stock banks of England, Scotland and Ireland respectively can have, on the average of a month, in the hands of the public, is fixed at certain amounts for each bank, and, therefore, at a certain specific amount for the aggregate of the banks in each of the three divisions of the United Kingdom; and a bank exceeding the limits of its issue, is liable to penalties. In Scotland and Ireland, however, the banks are allowed to exceed the statutory limits of issue, on retaining certain reserves of gold. The following are the fixed amounts under the act, as they stand at present:

	<i>England.</i>		<i>Scotland.</i>		<i>Ireland.</i>	
	<i>No.</i>	<i>Fixed Issue.</i>	<i>No.</i>	<i>Fixed Issue.</i>	<i>No.</i>	<i>Fixed Issue.</i>
Private Banks, . . .	168	£4,655,619	...	...	...	...
Joint-Stock Banks, . .	65	3,409,987	18	£3,087,209	8	£6,354,494
<b>Total, . . .</b>	<b>233</b>	<b>£8,065,606</b>	<b>18</b>	<b>£3,087,209</b>	<b>8</b>	<b>£6,354,494</b>

It will be seen by Table XV. that in England and Ireland the actual country circulation is considerably below the fixed issues, even during the present year. In England, the actual is less than the fixed circulation by £1,280,000; and in Ireland by £750,000. In Scotland, on the other hand, the actual is more than the fixed circulation by £440,000. As regards England, the disparity is explained by the banks keeping in use only as many notes as amount to their authorized issue, and by some of those notes always remaining in their drawers to answer applications. In Ireland, the revival of trade has not yet absorbed the circulation which was required before the famine. In Scotland, the banks find it profitable to exceed the statutory amount.

This account of the present state of the law will explain in a great measure the uniformity of the figures in the column of the English country circulation. But even as regards that circulation, it will be seen that there is a sensible increase from June, 1852, to June, 1853. In Ireland, the circulation has increased more rapidly during the same time; and the same thing has happened in Scotland. The most marked increase, however, has taken place in the circulation of the Bank of England. To the end of 1851, it may be said that 20 millions sterling was about the full limit of the circulation of the bank; and during some portions of the year it fell considerably short of 20 millions. In the first half of 1852, it was, on the average, 22½ millions; in the second half, 22½, and in the first half of 1853, it was 24 millions. The circulation for the month of June, 1853, was 24½ millions, and that was not a dividend month.

It is highly probable that the restraint on the country circulation has materially increased the circulation of the Bank of England; and it is also highly probable that nearly the whole of the increased circulation is attributable to the greater activity which has prevailed, during the last twelve months, in what may be called the larger retail trade, in payments of wages, and in operations connected with emigration.

(8.) *Alterations in the rate of Discount, 1851-53.*

The next table contains a statement of the market rate of discount for the two years and a half ending June, 1853.

TABLE.—*Statement of the monthly average of the total amount of Bullion in the Bank of England; of the average price of Consols; of the Bank of England minimum rate of discount; and of the rate of discount in the market for first class bills, from January, 1851, to June, 1853, (2½ years.)*

Average amount of Bullion in the Bank.	Month.	Average price of Consols.	Bank Minimum rate of Discount.	Market rate of Discount on first class bills.
			per cent. per annum.	per cent. per annum.
14.6	Jan. 1851,	96½	3—(Dec. 24, 1850.)	2½ to 3½
14.4	Feb. "	96½	"	"
14.4	March, "	96½	"	"
18.5	April, "	97½	"	2½ to 3½
18.5	May, "	97½	"	2½ to 3
14.0	June, "	98	"	2½ to 3½
14	July, 1851.	96½	"	2½ to 3½
14.2	Aug. "	96½	"	3 to 3½
14.6	Sept. "	96½	"	2½ to 3
15.1	Oct. "	97	"	2½ to 2½
15.8	Nov. "	96½	"	"
17	Dec. "	96½	"	"
18	Jan. 1852.	97	2½—(3 Jan. 1852.)	2 to 2½
18.5	Feb. "	97	"	1½ to 2
19.6	March, "	97½	"	"
19.6	April, "	99½	2—(22 April, 1852.)	"
20.5	May, "	99½	"	"
21.6	June, "	100½	"	"
22	July, 1852.	100½	"	"
21.8	Aug. "	100	"	"
21.9	Sept. "	100	"	"
21.6	Oct. "	100½	"	"
21.8	Nov. "	100½	"	"
21.3	Dec. "	101	"	"
19.6	Jan. 1853.	100	2½—(6 Jan., 1853.)	2½ to 3
18.4	Feb. "	99½	3—(20 Jan., " )	3 to 3½
19	March, "	99½	"	"
18.8	April, "	100½	"	"
18.1	May, "	100½	"	"
18.5	June, "	99	3½—(2 June, 1853.)	3½ to 3½

As regards the figures contained in this table, the most convenient mode of comment will, perhaps, be to reprint certain passages from articles which appeared in this journal on the 12th July, 1852, and on the 6th June last, and which were written in the midst of discussions then

taking place relative to the alterations in the rate of discount—alterations then prominently engaging attention in consequence of events which were of very recent occurrence.

The following extract is from the article of the 12th July, 1852 :

“We resume this subject from our paper of 5th inst., by taking up the second of the questions which we then started, namely, what share have the increased supplies of gold had in bringing about the present abundance of capital and low rate of interest ?

“The facts of the case with which we have to deal are as follows : At the present time the minimum rate of discount at the Bank of England is 2 per cent. per annum, and at that rate very few bills are sent to the Bank. The rate of discount in Lombard-street on first class bills is between  $1\frac{1}{2}$  and 2 per cent., according to dates. The interest allowed by the bill-brokers on funds left with them ‘on call’ is  $1\frac{1}{2}$  per cent., but with the qualification that the brokers may not always be able to take charge, at that rate, of the sums which may be offered to them. The supply of capital, therefore, in London is so abundant, that in certain quarters it does not readily and at once find employment at any rate of interest. As regards the interest on other securities, there is at present a general tendency towards decline. Railway debentures carrying 5 per cent. are renewed at 4 per cent., and even the less eligible class of mortgages may often be effected at reduced rates of interest. Consols are above *par* ; and there has been a rapid and considerable rise during the last six months in the market price of most interest-bearing securities—British, colonial and foreign—which have any reasonable pretensions to solidity.

“These are the facts at present. But is this the first time that such a state of things has prevailed? By no means. The description just given of the state of the money market at the present moment applies, with scarcely the alteration of a word or figure, to its condition during the greater part of 1844. The rate of discount at the Bank of England was practically  $2\frac{1}{2}$  per cent. during the greater part of that year, and the market rate of discount for good bills was for some time between  $1\frac{1}{2}$  and 2 per cent. There was then, as at present, considerable difficulty in placing money ‘at call’ with the brokers, at  $1\frac{1}{2}$  to  $1\frac{3}{4}$  per cent.; and we know that, in the summer of 1844, considerable sums were refused at those rates, on the ground that there was no immediate means of employing them. What is taking place now, therefore, has taken place before, and that within the last eight years; and it is the more important to notice this fact, because, as frequently happens on the occurrence of any thing at all varying from the most ordinary routine, there is a mischievous disposition to increase the excitement by representing the events as new and unparalleled.

“In 1844 there were no increased supplies of gold as there are now, and the state of the money market, and the rate of interest, did nevertheless very closely correspond with what we see at present. We are not justified, therefore, on the face of the evidence, in attributing the present plethora and its attendant phenomena wholly, or even mainly, to the increased supplies of gold. The causes which led to the plethora of

1844, may have led to that of 1852; and before we can connect the increased supplies of gold with the low rate of interest now prevailing, we have first of all to satisfy ourselves that the causes which led to a similar state of things eight years ago, have not been wholly or principally concerned in producing the low rates of the present time. Now what were the most important of those causes? In the most general terms, abundance of food and employment among the industrial classes, and, as a result of that employment and abundance, confidence on the part of capitalists, leading them to employ freely masses of capital which a previous state of distress and disquiet had led them to retain inactive. The same description applies at present. It is at once the good and the bad fortune of this country that its accumulations of capital go on so rapidly, and are so vast, that the rate of interest is much more under the influence of what may be called *moral* than of *numerical* causes. The rate of interest in England, during the last twenty or thirty years, has hardly ever been very high, because the capital of the country was inadequate to the demand, but because the prevalence of danger and alarm induced large holders of capital to withdraw from the market, and to stand aloof until perfect confidence was restored.

"We are disposed, therefore, to trace the present plethora, primarily and mainly, to the natural causes which produced a similar plethora in 1844, and on several previous occasions.

"But have the increased supplies of gold had no influence in producing this plethora? To some extent, they have. We shall see, by and by, that it by no means follows that, because the quantity of metallic money may be increased, the rate of interest on capital necessarily falls. And it is most important to bear in mind that, thus far, the increased supplies of gold have not in this country passed into circulation as metallic money at all, but exist almost wholly in the form of deposits in the Bank of England; and it is only as such that they have produced any effect on the money market. In 1844, the bullion slightly exceeded 16 millions sterling; it now exceeds 22 millions. For this reserve, the Bank of England has to find profitable employment, in order to make a dividend for its proprietors, and more particularly so since the act of 1844, which is construed by the bank directors as placing them on the level of any other large establishment carrying on the business of banking. It is easy to understand, therefore, that when, with so immense a reserve, the bank found that 2½ per cent. did not bring them business, they should be disposed to try 2 per cent. The latter rate has not brought them much, if any, more business than the former; and numerically, therefore, it may be true, that so far the large bullion reserve in the bank has not actually come into the money market through the medium of discounts. But that is not the whole case. The bank exerts a *moral* influence—an influence of *example*—at seasons like the present, far beyond that directly arising from its advances. From the movements of the Bank of England, people infer the tone and direction which may be safely given to their own engagements and speculations; and it is in this way that we are feeling the effects of the six or seven millions of new gold at present in the bank. It is not that the new gold has been actually added to the metal-

lic circulation outside the Bank of England, or to the amount of the bank notes in the hands of the public. Neither of these things has taken place; for we believe that scarcely a single sovereign has been added to the metallic circulation of this country in consequence of the California and Australian discoveries; and the weekly accounts in the *Gazette* prove beyond all doubt that the quantity of bank notes in the hands of the public remains without any material change. The fact is, that the new gold has been added to the reserve of the banking department of the Bank of England; that, under the act of 1844, the directors are at full liberty to find employment for that reserve by operating on the rate of interest, and that the example of lowering the rate of interest, as set by the Bank of England, has a powerful effect on the whole financial system of the country."

The next extract is from the article of the 6th of June last, and it continues the narrative brought by the preceding extract down to July, 1852:

"The resolution of the directors of the Bank of England, on the 2d inst., (June 2, 1853,) to adopt 3½ per cent. as their minimum rate of discount, establishes a rise in the rate of interest on bills of exchange, and on commercial securities of an analogous character, fully equal to 1½ per cent. in the space of little more than five months. So important an alteration in so short a time, and one so little corresponding with views and anticipations which are very generally entertained, can hardly fail to excite some attention.

"In the autumn of last year, the condition of the money market, as regarded the rate of interest, was very different from what it is at the present moment. The Bank of England minimum rate was two per cent.—the total stock of bullion in the two departments of banking and issue was larger than at almost any former period—and, apparently, the prospective arrivals of gold from Australia and other places could not fail to increase largely a reserve which was already considered excessive. The effect of this state of things out of doors was very marked. It was very generally supposed that the rate of interest must be regarded as permanently reduced, in consequence of the rapid increase of money capital—the immediate result of the importations of gold; and there can be no doubt that large transactions between borrowers and lenders were materially affected by views of this nature. The rate of interest on advances previously made was reduced; and new advances were obtained on easier terms than had been before known. Nor was this all. The reduction of the rate of interest, the apparent abundance of capital seeking employment, and the confident opinions which were entertained and expressed as to the continuance of such a state of things, had gradually generated a spirit of speculation, bearing a close resemblance, in its boldness and diffusion, to the early stages of the great speculations of 1836 and 1845. The formation of public companies was, as in those years, the most striking and conspicuous form in which the tendency in question manifested itself. But there had also sprung up an extensive speculation in several kinds of commodities, particularly in metals, and in some descriptions of Russian produce. Nor was the universal activity the mere



result of speculation. A large, a profitable, and an increasing business was to be found in nearly every part of the country. There was a sound and vigorous demand for nearly all the objects produced by our artisans and manufacturers; and a movement had been already commenced by the working classes for obtaining higher wages.

"Such was the state of things in the closing months of last year. In the first week of January the Bank of England raised its rate of interest from 2 to  $2\frac{1}{2}$  per cent.; and that measure, taking the public very much by surprise, led to discussions and investigations which were of infinite service in correcting many prevalent opinions. It was found that our foreign trade, notwithstanding the rapid increase in the value of our exports, was in a condition which seriously affected the rates of exchange; for it had led to an export of bullion from this country, of sufficient magnitude not only to carry off, as they arrived, the supplies from Australia, but also to diminish the stock of bullion previously in the possession of the Bank of England. And it was also found that, whatever might have been the previous theories as to a necessary reduction of the rate of interest, the time had arrived when the directors of the Bank of England, guided by the ordinary rules of that establishment, could no longer discount bills at the low rate which had prevailed for some months. In short, it became clear that, whatever might be the cause, there had been some precipitation in concluding that the supply of capital in this country had become so much greater than the demand as to render necessary a sensible reduction both in the rate of discount and of interest—that is to say, both in the rate at which money or capital is advanced on mercantile securities for short periods, and also in the terms on which capital is advanced on mortgages, debentures, and analogous securities of a permanent character for long periods.

"As is well known, a second rise of the bank rate took place, from  $2\frac{1}{2}$  to 3 per cent.; and the increase of Thursday last has further raised the minimum rate to  $3\frac{1}{2}$  per cent. The question, then, arises, in what essential respects are the circumstances affecting the rate of interest different from what they were in November or December last, when there was a general opinion that 2 per cent., instead of  $3\frac{1}{2}$ , correctly represented the value of capital seeking employment in the discount of bills of exchange? The question is a large one, and not readily answered, but something, perhaps, may be said to elucidate it.

"In the first place, there is reason to believe that 2 per cent. was a rate not really justified by the facts of the case. The extreme pressure of capital seeking employment during the summer and autumn of last year arose, there is good reason to believe, almost wholly from one cause, and that cause of a transitory character—namely, the rapid and excessive accumulation in the hands of the Bank of England, and of other dealers in money, of the earlier importations of gold from Australia. A considerable period elapsed between the first arrival of Australian gold and a commencement of the vast consequences to which it is manifest that the gold discoveries must lead. During that period it was, perhaps, inevitable that false appearances should present themselves, and that false inferences should be drawn. We saw the rapid elevation of the bullion

reserves of the bank—we heard of the untold treasures of the land from which those reserves were derived—and we knew that almost every day brought into our harbors ships laden with further additions to a stock of gold already unprecedented. It was not unnatural that such a state of things should foster unduly sanguine anticipations.”

(9.) *State of the Foreign Exchanges, 1851–1853.*

TABLE XVII.—*Foreign Exchanges: Statement of the average monthly rates of exchange at London on Paris, Hamburg and New York, and of the arbitrated value of gold between London and those places, from January, 1851, to July, 1853, (2½ years.)*

Months.	Paris.			Hamburg.			New York.		
	London on Paris, 3 months' date.	Gold Bullion. Against England. Per ct.	For England. Per ct.	London on Hamburg, 3 months' date.	Gold Bullion. Against England. Per ct.	For England. Per ct.	New York on London, 60 days' sight.	Against England. Per ct.	For England. Per ct.
1851.									
January, . . . . .	25.29	0.65	...	18.6	0.65	...	110½	...	1.00
February, . . . . .	25.20	0.45	...	18.6½	0.60	...	110	...	0.80
March, . . . . .	25.20	0.80	...	18.7	0.70	...	110	...	0.50
April, . . . . .	25.30	0.25	...	18.8	...	0.20	110	...	0.80
May, . . . . .	25.25	0.85	...	18.7½	...	0.25	110½	...	1.00
June, . . . . .	25.20	0.10	...	18.7½	...	0.25	110½	...	0.95
July, . . . . .	25.20	0.18	...	18.7½	...	0.10	110½	...	1.00
August, . . . . .	25.25	par	...	18.8½	...	0.40	110	...	0.80
September, . . . . .	25.25	par	...	18.10	...	0.40	110	...	0.50
October, . . . . .	25.30	...	0.82	18.10½	...	0.46	110	...	0.81
November, . . . . .	25.40	...	0.22	18.11	...	0.51	110	...	0.67
December, . . . . .	25.47	0.88	...	18.10½	...	0.58	110½	...	0.92
1852.									
January, . . . . .	25.47	...	0.41	18.10½	...	0.60	110	...	0.67
February, . . . . .	25.50	...	0.44	18.10½	...	0.77	110½	...	0.67
March, . . . . .	25.55	...	0.58	18.11½	...	0.64	110½	...	0.67
April, . . . . .	25.60	...	0.56	18.11½	...	0.42	109½	...	0.26
May, . . . . .	25.65	...	0.68	18.11½	...	0.60	109½	...	0.15
June, . . . . .	25.60	...	0.46	18.11	...	0.55	110½	...	0.79
July, . . . . .	25.50	...	0.27	18.9½	...	0.87	110½	...	0.92
August, . . . . .	25.50	...	0.89	18.9½	...	0.56	110½	...	0.93
September, . . . . .	25.50	...	0.84	18.9½	...	0.41	110½	...	0.95
October, . . . . .	25.50	...	0.80	18.8½	0.49	...	110½	...	0.85
November, . . . . .	25.40	0.05	...	18.7	0.54	...	110	...	0.79
December, . . . . .	25.85	0.10	...	18.5½	0.57	...	110	...	0.67
1853.									
January, . . . . .	25.30	0.48	...	18.6	0.47	...	109½	...	0.54
February, . . . . .	25.30	0.88	...	18.7	0.85	...	109½	...	0.25
March, . . . . .	25.27	0.48	...	18.8	0.42	...	109½	...	0.50
April, . . . . .	25.30	0.42	...	18.8½	0.28	...	109	0.08	...
May, . . . . .	25.25	0.45	...	18.8½	0.05	...	109	...	0.18
June, . . . . .	25.30	0.45	...	18.8½	0.18	...	109½	...	0.42
July, . . . . .	25.27	0.58	...	18.7½	0.80	...	109½	...	0.42

In connection with this part of the subject, the preceding statement of the average monthly quotations of the exchange (at London) on Paris and Hamburg, and on London at New York, will be useful; and the columns which are added, of the comparative dearness of gold in London in relation to the three places, will be still more useful. As regards the terms "comparative dearness of gold," and "for England," and "against England"—as, for example, in March, 1851, when gold is said to be 0.30 per cent. against England—the meaning is, that in March, 1851, on the average of the month, gold was dearer in Paris than in London to the extent of 0.30 of a £; or 6s. per cent.; and consequently, that if the cost of sending gold to Paris should happen to be only (say) 3s. per cent., there would be a profit in consigning gold thither—and the higher the per centage against England, of course, the stronger the inducement to send gold.

Applying the explanations just given, it will be seen that the difference between the value of gold in London and in Paris and Hamburg was small till about October, 1852; that gold had, on the whole, a tendency—occasionally a strong tendency—to flow into this country from the continent. Since October last, however, the former state of things has been reversed. Gold has generally been an advantageous mode of remittance both to Paris and Hamburg; and for some weeks past, as a matter of fact, considerable amounts of gold have been sent to those cities from hence. With the United States, the margin has not been sufficient to cover the expenses of transit.

The table, therefore, shows a marked change in the results of the foreign exchanges during the last nine months.

[To be continued in November No.]

---

## CLEARING HOUSE IN NEW YORK.

AN adjourned meeting of the delegates of the New-York City banks was held on Tuesday, September 13th, when a plan for the Clearing House or Exchange system was agreed upon. The measure is now so well matured, and is so generally acceptable to the banks, that it will no doubt be carried into effect forthwith.

The details are as follows :

1st. A room shall be provided, sufficiently large to afford suitable accommodations.

2d. A manager shall be appointed to take charge of, and, with the assistance of his clerks, perform the duties devolving upon him.

3d. It shall be the duty of the manager to prepare, from statements furnished him by the banks, a general statement, showing the position of each bank, whether as debtor or creditor.

4th. The settling clerk of each bank shall repair to the Clearing House, with a list of his exchanges, at nine o'clock in the morning, and take his place at his desk.

5th. The porters, at the same hour, will go to each bank's desk, and make with its clerk their exchanges, having the amounts entered in their pass-books, as at present, (these entries being simply intended as receipts.) Having made their exchanges, the porters will return to their respective banks, carrying the money received by them, as at present.

6th. The settling clerk having entered on his list the amount received from each bank, against the amount delivered to each bank, and struck the balance, shall deliver the same to the manager.

7th. At one o'clock, P. M., the debtor banks shall appear at the Clearing House, prepared to settle the balance due by each, and at the same hour the creditor banks shall appear and receive the amounts due to them.

8th. This being done, and full receipts, both for the debtor as well as the creditor balances, registered on the record statement of the Clearing House, the manager will announce that the settlement is effected.

9th. All errors and reclamations shall be settled at the bank counters, as at present, and no alteration shall be made, on any pretence, in any statement or list, after it has been furnished to the Clearing House.

10th. The banks associated for Clearing House purposes, shall from time to time appoint one of their own number to be a depositary, to receive, in special trust, such coin as any of the associated banks may choose to send to it for safe keeping. The depositary shall issue certificates in exchange for such coin, in proper form, and for convenient amounts. Such certificates shall be negotiable only between the associated banks, and shall be received by any of them in payment of balances, at the Clearing House. It being expressly understood, that such special deposits of coin are to be entirely voluntary, each bank being left perfectly free to make them or not, at its own discretion. It being further understood, that the coin on deposit is to be the absolute property of those of the associated banks who from time may hold the certificates, and is to be held by the depositary, subject to withdrawal on the presentation of the proper certificates, at any time during banking hours.

George D. Lyman, Esq., who has been connected with the Bank of North America, in this city, as second teller, has been selected as the manager of the Clearing House. Rooms have been temporarily secured for this purpose, at No. 14 Wall-street. The establishment of this medium of exchange, will in a short time enable us to ascertain the amount of daily, weekly and monthly transactions between the banks.

---

## NEW PUBLICATIONS.

1. **THE NEW SUPPLIES OF GOLD.**—Facts and Statements relative to their Actual Amount, and their Present and Probable Effects. Reprinted from the *London Morning Chronicle*, of 28th July, 1853. With additional Chapters, containing new and important Tables relative to Bills of Exchange (1828–1852) and Bank Notes. By William Newmarch. London: 8vo. Price 4 shillings.

2. **THE DECIMAL SYSTEM**, as applied to the Coinage, and Weights and Measures, of Great Britain. Dedicated to the Lords Commissioners of Her Majesty's Treasury. By Henry Taylor. Fourth edition. London: Groombridge & Sons.

3. **BANKS AND BANKING IN THE UNITED STATES.** By Henry F. Baker, of Cincinnati. 8vo., pp. 56. Boston: Ticknor, Reed & Fields.

## BANKS OF NEW YORK.

A LIST OF THE SEVERAL BANKS OF THE STATE OF NEW YORK, SEPTEMBER 21, 1852, THEIR LOCATION AND POST OFFICE, NAME OF AGENT AND RESIDENCE. FROM THE OFFICIAL REPORT OF THE SUPERINTENDENT OF THE BANK DEPARTMENT, MADE PURSUANT TO CHAP. 203, SEC. 1, LAWS OF 1851. TO WHICH ARE NOW ADDED THE AMOUNT OF CAPITAL REPORTED BY EACH BANK.

\* These Banks redeem their money at par in New York.

<i>Name of the Bank.</i>	<i>Location and P. O.</i>	<i>Agent.</i>	<i>Residence.</i>	<i>Capital.</i>
Agricultural Bank, . . . .	Herkimer,	Albany City Bank,	Albany,	100,500
Ballston Spa Bank, . . . .	Ballston Spa,	do. do.	do.	125,000
Bank of Albion, . . . .	Albion,	do. do.	do.	75,905
Bank of Attica, . . . .	Buffalo,	New York State Bank,	do.	160,000
Bank of Auburn, . . . .	Auburn,	do. do.	do.	200,000
Bank of Bainbridge, . . . .	Penn Yan,	Albany City Bank,	do.	6,700
Bank of Binghamton, . . . .	Binghamton,	Metropolitan Bank,	New York,	150,000
Bank of Carthage, . . . .	Carthage,	Bank of the Capitol,	Albany,	18,601
Bank of Cayuga Lake, . . . .	Painted Post,	Amasa S. Foster,	New-York,	5,000
Bank of Central New York, . . . .	Utica,	Albany Exchange Bank,	Albany,	110,200
Bank of Chemung, . . . .	Elmira,	Thomas Adams & Co.,	New York,	100,000
Bank of Chemango, . . . .	Norwich,	New York State Bank,	Albany,	120,000
Bank of Commerce, Putnam Co.,	Carmel,	Kelly, Townsend & Co.,	New York.	
Bank of Cooperstown, . . . .	Cooperstown,	Bank of the Capitol,	Albany,	104,500
Bank of Corning, . . . .	Corning,	Mechanics & Farmers',	do.	150,000
*Bank of Coxsackie, . . . .	Coxsackie,	Metropolitan Bank,	New York,	120,000
Bank of Dansville, . . . .	Dansville,	do. do.	do.	150,250
*Bank of Fishkill, . . . .	Fishkill,	do. do.	do.	150,000
Bank of Fort Edward, . . . .	Fort Edward,	Commercial Bank, Troy,	Troy,	128,600
Bank of Genesee, . . . .	Batavia,	Bank of Albany,	Albany,	100,000
Bank of Geneva, . . . .	Geneva,	Mechanics & Farmers'	do.	200,000
Bank of Havana, . . . .	Havana,	Commercial Bank, Troy,	Troy,	50,000
*Bank of Kinderhook, . . . .	Kinderhook,	American Exchange B'k,	New York,	125,000
Bank of Lansingburgh, . . . .	Lansingburgh,	Pepoon, Hoffman & Ten Broeck,	do.	120,000
Bank of Lowville, . . . .	Lowville,	Bank of the Capitol,	Albany,	102,450
Bank of Malone, . . . .	Malone,	Union Bank of Troy,	Troy,	100,000
Bank of Newark, . . . .	Newark,	Albany City Bank,	Albany,	80,000
*Bank of Newburgh, . . . .	Newburgh,	Merchants' Exchange B'k,	New York,	800,000
Bank of Orange County, . . . .	Goshen,	S. Van Duzer,	do.	105,660
Bank of Orleans, . . . .	Albion,	Mechanics & Farmers',	Albany,	200,000
Bank of Owego, . . . .	Owego,	Henry Dwight, Jr.,	New York,	200,000
*Bank of Pawling, . . . .	Pawling,	Leather Manufacturers' B.,	do.	125,000
Bank of the People, . . . .	Lowville,	Nelson Scovel,	Albany.	
*Bank of Port Jervis, . . . .	Port Jervis,	Hanover Bank,	New York,	111,850
*Bank of Poughkeepsie, . . . .	Poughkeepsie,	Merchants' Exchange B'k,	do.	100,000
*Bank of Rhinebeck, . . . .	Rhinebeck,	Mechanics' Bank,	do.	125,000
Bank of Rome, . . . .	Rome,	New York State Bank,	Albany,	100,000
*Bank of Rondout, . . . .	Rondout,	North River Bank,	New York,	100,000
Bank of Salem, . . . .	Salem,	Commercial Bank of Troy,	Troy,	110,000
Bank of Salina, . . . .	Salina,	Commercial B'k, Albany,	Albany,	150,000
Bank of Saratoga Springs, . . . .	Saratoga Springs,	New York State Bank,	do.	100,000
Bank of Silver Creek, . . . .	Silver Creek,	Albany City Bank,	do.	92,850
*Bank of Sing Sing, . . . .	Sing Sing,	Chatham Bank,	New York,	125,000
Bank of Syracuse, . . . .	Syracuse,	New York State Bank,	Albany,	200,000
Bank of the Union, . . . .	Belfast,	Taylor Brothers,	New York,	5,000

<i>Names of the Banks.</i>	<i>Location and P. O.</i>	<i>Agent.</i>	<i>Residence.</i>	<i>Capital.</i>
*Bank of Ulster, . . . .	Saugerties,	Metropolitan Bank,	New York,	100,000
Bank of Utica, . . . .	Utica,	Albany City Bank,	Albany,	600,000
Bank of Vernon, . . . .	Vernon Village,	American Exchange B'k,	New York,	100,000
Bank of Watertown, . . . .	Watertown,	Bruce & Young,	Albany,	47,779
Bank of Waterville, . . . .	Waterville,	New York State Bank,	do.	120,000
Bank of West Troy, . . . .	West Troy,	Mercantile Bank,	New York,	121,500
Bank of Whitestown, . . . .	Whitestown,	Commercial Bank,	Albany,	120,000
Bank of Westfield, . . . .	Westfield,	American Exchange B'k,	New York,	65,000
Bank of Whitehall, . . . .	Whitehall,	Mercantile Bank,	do.	100,000
Black River Bank, . . . .	Watertown,	Bank of the Capitol,	Albany,	125,000
Brockport Exchange Bank, . . . .	Brockport,	Henry Dwight, Jr.,	New York,	50,000
Broome County Bank, . . . .	Binghamton,	Mechanics & Farmers',	Albany,	100,000
Buffalo City Bank, . . . .	Buffalo,	Bank of the Capitol,	do.	100,000
Burnet Bank, . . . .	Syracuse,	Union Bank of Troy,	Troy,	53,625
Camden Bank, . . . .	Camden,	Commercial Bank of Troy,	do.	120,000
Canal Bank of Lockport, . . . .	Lockport,	Albany Exchange Bank,	Albany,	62,820
*Catskill Bank, . . . .	Catskill,	American Exchange B'k,	New York,	110,007
Cayuga County Bank, . . . .	Auburn,	New York State Bank,	Albany,	250,000
Central Bank, . . . .	Cherry Valley,	Mechanics & Farmers',	do.	120,000
Chautauque County Bank, . . . .	Jamestown,	Bank of Albany,	do.	100,000
Chemung Canal Bank, . . . .	Elmira,	Commercial Bank of Troy,	Troy,	200,000
Chester Bank, . . . .	Chester,	S. Van Duzer & Son,	New York,	100,400
Chittenango Bank, . . . .	Chittenango,	Merchants' Bank,	Albany,	110,000
Citizens' Bank, . . . .	Fulton,	Henry Dwight, Jr.,	New York,	58,960
City Bank of Oswego, . . . .	Oswego,	Albany City Bank,	Albany,	150,000
Commercial Bank of Allegany Co., . . . .	Friendship,	Charles Colgate & Co.,	New York,	5,000
Commercial Bank of Clyde, . . . .	Clyde,	Albany Exchange Bank,	Albany,	61,555
Commercial Bank of Glen's Falls, . . . .	Glen's Falls,	Commercial Bank of Troy,	Troy,	150,000
Commercial Bank of Rochester, . . . .	Rochester,	New York State Bank,	Albany,	830,000
Commercial Bank of Whitehall, . . . .	Whitehall,	Commercial Bank of Troy,	Troy,	108,200
Croton Bank, . . . .	Syracuse,	Albany City Bank,	Albany,	110,000
Cuyler's Bank, . . . .	Palmyra,	do. do.	do.	100,000
Dairymen's Bank, . . . .	Newport,	Albany Exchange Bank,	do.	50,000
Delaware Bank, . . . .	Delhi,	Albany City Bank,	do.	150,000
Drover's Bank of St. Lawrence Co., . . . .	Ogdensburg,	Bank of the Capitol,	do.	10,000
Dunkirk Bank, . . . .	Dunkirk,	American Exchange B'k,	New York,	12,500
Dutchess County Bank, . . . .	Amenia,	Kelly & Sloane,	do.	50,000
Eagle Bank, . . . .	Rochester,	Albany Exchange Bank,	Albany,	100,000
Essex County Bank, . . . .	Keeseville,	Mercantile Bank,	New York,	100,000
Exchange Bank of Buffalo, . . . .	Buffalo,	Albany City Bank,	Albany,	26,000
Exchange Bank of Genesee, . . . .	Batavia,	do. do.	do.	100,000
Exchange Bank of Lockport, . . . .	Lockport,	Bank of the Capitol,	do.	150,000
*Fallkill Bank, . . . .	Poughkeepsie,	Metropolitan Bank,	New York,	150,000
Farmers' Bank of Amsterdam, . . . .	Amsterdam,	Albany City Bank,	Albany,	117,500
Farmers' Bank of Hamilton Co., . . . .	Arietta,	Anthony Lane,	New York,	8,600
*Farmers' Bank of Hudson, . . . .	Hudson,	Mechanics' Bank,	do.	250,000
Farmers' Bank of Mina, . . . .	Mina,	Amasa S. Foster,	do.	5,000
Farmers' Bank of Saratoga Co., . . . .	Crescent,	Charles A. Morford,	do.	200,000
*Farmers' & Citizens' Bk. of L. I., . . . .	Williamsburgh,	Merchants' Exchange Bk.,	do.	200,000
*Farmers & Drovers' Bk. at Somers, . . . .	Somers,	do. do.	do.	111,150
*Farmers & Manufacturers' Bk., . . . .	Poughkeepsie,	Phenix Bank,	do.	300,000
Farmers & Mech. Bk. of Genesee, . . . .	Buffalo,	New York State Bank,	Albany,	100,000
Farmers & Mech. Bk. of Rochester, . . . .	Rochester,	Albany City Bank,	do.	50,000
Fort Plain Bank, . . . .	Fort Plain,	New York State Bank,	do.	100,000
Fort Stanwix Bank, . . . .	Rome,	do. do.	do.	110,000
Frontier Bank, . . . .	Potsdam,	Troy City Bank,	Troy,	50,000
Fulton County Bank, . . . .	Gloversville,	New York State Bank,	Albany,	150,000
Genesee County Bank, . . . .	Le Roy,	Albany City Bank,	do.	100,000

<i>Names of the Banks.</i>	<i>Location and P. O.</i>	<i>Agent.</i>	<i>Residence.</i>	<i>Capital.</i>
Genesee Valley Bank, . . .	Genesee,	Albany City Bank,	Albany,	120,000
Glen's Falls Bank, . . .	Glen's Falls,	Merchants & Mechan. Bk.,	Troy,	112,000
*Goshen Bank, . . .	Goshen,	Ocean Bank,	New York,	110,000
Hamilton Exchange Bank, . .	Greene,	Commercial Bank of Troy,	Troy,	20,000
Hamilton Bank, . . .	Hamilton,	Amer. Exchange Bank,	New York,	110,000
Herkimer County Bank, . .	Little Falls,	Albany City Bank,	Albany,	200,000
*Highland Bank, . . .	Newburgh,	Nassau Bank,	New York,	200,000
H. J. Miner's Bank of Utica, .	Fredonia,	Amer. Exchange Bank,	do.	50,000
Hollister Bank of Buffalo, .	Buffalo,	Albany Exchange Bank,	Albany,	200,000
*Hudson River Bank, . . .	Hudson,	Metropolitan Bank,	New York,	150,000
*Huguenot Bank of New Paltz,	New Paltz,	do. do.	do.	124,100
Hungerford's Bank, . . .	Adams,	Bank of Albany,	Albany,	50,000
Ilion Bank, . . .	Ilion,	Albany City Bank,	do.	100,000
Iron Bank, . . .	Plattsburgh,	Merchants' Bank,	do.	
Jamestown Bank, . . .	Jamestown,	Peoples' Bank,	New York.	
Jefferson County Bank, . .	Watertown,	Albany City Bank,	Albany,	200,000
Judson Bank, . . .	Ogdensburgh,	Amer. Exchange Bank,	New York,	80,000
*Kingston Bank, . . .	Kingston,	Metropolitan Bank,	New York,	200,000
Kirkland Bank, . . .	Clinton,	Albany City Bank,	Albany,	50,000
Lewis County Bank, . . .	Martinsburgh,	Stanton & Wilcox,	do.	100,000
Livingston County Bank, . .	Genesee,	New York State Bank,	do.	100,000
Lockport Bank & Trust Company,	Lockport,	Mech. & Farmers' Bank,	do.	26,900
Luther Wright's Bank, . . .	Oswego,	New York State Bank,	do.	200,000
Madison County Bank, . . .	Cazenovia,	do. do.	do.	100,000
Marine Bank, . . .	Buffalo,	Mech. & Farmers Bank,	do.	170,000
Mechanics' Bank of Syracuse, .	Syracuse,	Albany City Bank,	do.	140,000
Mechanics' Bank of Watertown, .	Watertown,	John Thompson,	New York.	
*Mechanics' B'k of Williamsburgh,	Williamsburgh,	Chatham Bank,	do.	140,600
Mercantile Bank of Plattsburgh, .	Plattsburgh,	Union Bank,	Troy.	
*Merchants' Bank of Canandaigua,	Naples,	Bank Department,	Albany.	
Merchants' Bk. of Chautauque Co.,	Mina,	Bank of Albany,	do.	7,000
Merchants' Bank of Erie County,	Lancaster,	Metropolitan Bank,	New York,	50,000
Merchants' Bank of Westfield, .	Westfield,	Amer. Exchange Bank,	do.	
*Merchants' Bk. in Poughkeepsie,	Poughkeepsie,	Bk of the Commonwealth,	do.	150,000
Merchants' Bank in Syracuse, .	Syracuse,	Mech. & Far. B. of Albany,	Albany,	160,000
Merch. & Farmers' Bk. of Ithaca,	Ithaca,	Albany Exchange Bank,	do.	70,000
Merch. & Farm. Bk. of Put. Co.,	Carmel,	do. do.	do.	60,600
Merch. & Mechan. Bk. of Oswego,	North Granville,	Tanner & Co.,	New York.	
*Middletown Bank, . . .	Middletown,	North River Bank,	do.	100,000
Mohawk Bank of Schenectady,	Schenectady,	Albany City Bank,	Albany,	125,000
Mohawk Valley Bank, . . .	Mohawk,	Bank of Albany,	do.	150,000
Monroe Bank of Rochester, . .	Cuba,	W. H. Marston,	New York,	50,000
Montgomery County Bank, . .	Johnstown,	Albany City Bank,	Albany,	100,000
New York and Erie Bank, . .	Dunkirk,	Carpenter & Vermilye,	New York,	120,000
New York Security Bank, . .	Hope Falls,	Peder Sather,	do.	5,000
N. Y. Traders' Bk. of Wash. Co.,	North Granville,	McMillan & Seymour,	do.	3,000
Niagara Bank, . . .	Tonawanda,	Bank of the Capitol,	Albany,	104,000
Northern Canal Bank, . . .	Fort Ann,	William L. Shardlow,	do.	5,000
Ogdensburgh Bank, . . .	Ogdensburgh,	Albany City Bank,	do.	100,000
Oliver Lee & Co's Bank, . . .	Buffalo,	do. do.	do.	160,000
Oneida Bank, . . .	Utica,	do. do.	do.	400,000
Oneida County Bank, . . .	Utica,	Corn Exchange Bank,	New York,	125,000
Oneida Valley Bank, . . .	Oneida Depot,	New York State Bank,	Albany,	105,000
Onondaga County Bank, . . .	Syracuse,	do. do.	do.	150,000
Ontario Bank, . . .	Canandaigua,	Albany City Bank,	do.	200,000
Ontario Branch Bank, . . .	Utica,	do. do.	do.	800,000
Otsego County Bank, . . .	Cooperstown,	Mech. & Farm. Bk. of Alb'y,	Albany,	100,000
Palmyra Bank, . . .	Lyons,	Albany City Bank,	do.	26,944

<i>Names of the Banks.</i>	<i>Location and P. O.</i>	<i>Agent.</i>	<i>Residence.</i>	<i>Capital.</i>
Patchin Bank, . . . .	Buffalo,	New York State Bank,	Albany,	100,000
Phoenix Bank of Bainbridge, . . . .	Bainbridge,	Charles Sanford,	New York,	5,000
Pine Plains Bank, . . . .	Pine Plains,	Henry Sheldon & Co.,	do.	100,000
*Powell Bank, . . . .	Newburgh,	American Exchange Bank,	do.	175,000
Pratt Bank, . . . .	Buffalo,	Bank of Albany,	Albany,	60,000
Putnam County Bank, . . . .	Farmers' Mills,	Albany City Bank,	do.	114,480
Putnam Valley Bank, . . . .	Peekskill P. O.	Gregory, Raymond & Co.,	New-York,	66,284
Quassaick Bank, . . . .	Newburgh,	Merchants' Exchange Bk.,	do.	200,000
Queen City Bank, . . . .	Buffalo,	Metropolitan Bank,	do.	51,000
Rensselaer County Bank, . . . .	Lansingburgh,	Bank of Troy,	Troy,	158,600
Rochester Bank, . . . .	Rochester,	Mech. & Farm. Bk. of Alb'y,	Albany,	100,000
Rochester City Bank, . . . .	Rochester,	Albany City Bank,	do.	400,000
Rome Exchange Bank, . . . .	Rome,	New-York State Bank,	do.	100,000
Sacket's Harbor Bank, . . . .	Buffalo,	do. do.	do.	200,000
Salt Springs Bank, . . . .	Syracuse,	Henry Dwight, Jr.,	New York,	125,000
Saratoga County Bank, . . . .	Waterford,	Union Bank of Troy,	Troy,	100,000
Schenectady Bank, . . . .	Schenectady,	Commercial Bk. of Albany,	Albany,	150,000
Schoharie County Bank, . . . .	Schoharie,	Bank of Albany,	do.	50,000
Seneca County Bank, . . . .	Watertown,	Albany City Bank,	do.	200,000
Spraker Bank, . . . .	Canajoharie,	Merchants' Bank,	do.	100,000
State Bank at Sacket's Harbor, . . . .	Sacket's Harbor	Henry Dwight, Jr.,	New York,	20,000
State Bank at Saugerties, . . . .	Saugerties,	Commercial Bank of Troy,	Troy,	10,000
Steuben County Bank, . . . .	Bath,	John Thompson,	New York,	150,000
*Suffolk County Bank, . . . .	Sag Harbor,	Metropolitan Bank,	do.	20,000
Syracuse City Bank, . . . .	Syracuse,	Albany City Bank,	Albany,	250,000
*Tanners' Bank, . . . .	Catskill,	American Exchange B'k,	New York,	100,000
Tompkins' County Bank, . . . .	Ithaca,	Albany City Bank,	Albany,	250,000
*Ulster County Bank, . . . .	Kingston,	Merchants' Exchange B'k,	New York,	100,000
Unadilla Bank, . . . .	Unadilla,	William Watson & Co.,	Albany,	129,850
Union Bank of Rochester, . . . .	Rochester,	Albany City Bank,	do.	892,228
Union Bank of Sullivan County, . . . .	Monticello,	Charles A. Morford,	New York,	150,000
Union Bank of Watertown, . . . .	Watertown,	Bank of Albany,	Albany,	116,200
Utica City Bank, . . . .	Utica,	New York State Bank,	do.	200,000
Valley Bank, . . . .	Coonville,	Nelson Scovel,	do.	
Washington County Bank, . . . .	Greenwich P. O.,	Commercial Bank of Troy,	Troy,	149,575
Watertown B'k & Loan Company, . . . .	Watertown,	Albany City Bank,	Albany,	71,605
*Westchester County Bank, . . . .	Peekskill,	Bank of North America,	New York,	200,000
Western Bank of Lockport, . . . .	Lockport,	Commercial Bank of Troy,	Troy,	50,000
Western Bank, Suffolk County, . . . .	Babylon,	George W. Robinson,	New York,	10,000
White Plains Bank, . . . .	Naples,	Nelson Scovel,	Albany,	5,000
White's Bank of Buffalo, . . . .	Buffalo,	New York State Bank,	do.	100,000
*Williamburgh City Bank, . . . .	Williamburgh,	Bank of the State of N. Y.,	New York,	200,000
Wooster Sherman's Bank, . . . .	Watertown,	Bank of Albany,	Albany,	50,000
Wyoming County Bank, . . . .	Warsaw,	American Exchange B'k,	New York,	50,000
Yates County Bank, . . . .	Penn Yan,	Mechanics & Farmers',	Albany,	100,000

## A LIST OF BANKS IN THE CITIES OF ALBANY, BROOKLYN, AND TROY.

<i>ALBANY.</i>	<i>Capital.</i>	<i>TROY.</i>	<i>Capital.</i>
Albany City Bank, . . . .	\$500,000	Commercial Bank of Troy, . . . .	\$200,000
Bank of Albany, . . . .	240,000	Farmers' Bank of Troy, . . . .	850,000
Albany Exchange Bank, . . . .	311,100	Manufacturers' Bank, . . . .	200,000
Bank of the Capitol, . . . .	850,000	State Bank of Troy, . . . .	250,000
Commercial Bank of Albany, . . . .	800,000	Union Bank of Troy, . . . .	250,000
Mechanics and Farmers' Bank, . . . .	850,000		
Merchants' Bank, . . . .	242,825	<i>BROOKLYN.</i>	
New York State Bank, . . . .	250,000	City Bank, . . . .	800,000
		Long Island Bank, . . . .	400,000
<i>TROY.</i>		Mechanics' Bank, . . . .	200,000
Bank of Troy, . . . .	440,000	Atlantic Bank, . . . .	500,000
Central Bank of Troy, . . . .	122,975	Brooklyn Bank, . . . .	150,000



## FOREIGN ITEMS.

**THE BANKS AND THE NEW STAMP ACT.**—In consequence of the passing of the new Stamp Act, which comes into operation on the 10th of October next, the various banking establishments throughout the country have mutually agreed to a modification of the system under which they have of late years issued letters of credit. When these documents first came into use, they were simply intended to enable the party in whose favor they were granted to receive the amount personally at the place named, and were consequently not transferable. Subsequently, however, it has become the habit to cash them to bearer on the assumed endorsement of the payee, and several of the leading provincial banks have even prepared them so as to admit the amount or any portions of it to be drawn for by regular checks signed by the payee. They have thus, although not legally negotiable, entered into extensive circulation, the saving of the stamp duty payable on bills of exchange being an inducement to their rapid increase, in the face of the risk of forged endorsements, as well as of the literal state of the law upon the subject. Under the new act, however, drafts or checks, payable to order on demand, may be issued on a penny stamp, and it is proposed, therefore, from the 10th of October to adopt that form, while for credits available only at a specified term after date, the usual stamp applicable to bills of exchange will be required. By this means, as regards the notes payable on demand, the various banks will save themselves from risk with respect to forged endorsements, inasmuch as the 19th clause of the new act exonerates them in these special cases from all liability on that account.

**ENGLISH COINAGE.**—The coinage of the English mint during the last six months appears, from a government return recently published, to have been £9,099,000 of gold and £416,000 of silver. The unprecedented nature of this amount, says the *London Times*, may be estimated from the fact that in the corresponding period of each of the three preceding years the totals were as follows, viz.: in 1850, gold, £66,000; silver, £129,000; in 1851, gold, £4,199,000; silver, £19,000; and, in 1852, gold, £4,453,000; silver, £32,000. The rate of coinage this year has, therefore, been more than twice as great as during 1852, when Australia was already yielding large results. Under these circumstances, there is reason to believe that the aggregate shipment of sovereigns to the colony, together with the amounts taken out by emigrants, must have been beyond any thing hitherto supposed, and that hence the prospect is increased of the recent drain being at no distant date followed by a remarkable reaction.

At the same time a considerable portion of the enormous quantity supplied from the mint has doubtless been absorbed at home by the sudden improvement in the condition of the working classes, from the high wages prevailing in all parts of the United Kingdom, since an extra sovereign in each family will be sufficient to account for several millions. Even in this respect, however, the effect will be merely temporary, inasmuch as all beyond a certain quantity will, sooner or later, find its way to saving banks or other forms of investment, and there are consequently increased reasons for anticipating that the wave which has lately carried away our newly-acquired resources will return before long, and produce with equal strength an opposite effect.

Advices have been received in London of very large sums of gold being on their way from Australia to England. Five vessels are enumerated, having 159,735 ounces of gold on board, worth \$640,000, besides further sums in private hands.

**VALUE OF LAND IN THE CITY OF LONDON.**—The estates committees of St. Thomas's Hospital met recently to receive tenders for a piece of land belonging to their corporation, and which has reverted to them in the course of the improvements in the neighborhood of and connected with the new Royal Exchange. The land in question is situated at the northwest corner of Finch-lane, which is to be widened and rounded, and contains only about 400 square yards. It is let on lease for a term of 80 years, and for this small piece of land the enormous rent of 1,300*l.* per annum net has been given by the Australasian Company, with a condition to build upon it a substantial stone building. This letting, if calculated at its freehold value, at the present price of Consols, would represent the extraordinary sum of rather more than 520,000*l.* per acre.

**NEW JOINT-STOCK COMPANIES.**—Notwithstanding the present most inactive state of the markets, and the absence of speculation, several newly projected joint stock companies have been brought before public notice during the last few days. They are as follows:—The Bombay, Baroda and Central India Railway Company, with a capital of £4,500,000, in shares of £20 each. It is formed for the purpose of connecting Bombay with Agra, and ultimately forming a junction with the Bengal line, so as to open an uninterrupted route from the one presidency to the other. It is also proposed to construct a line from Surat on to the cotton district of Khandeish and Berar with the coal districts of the Nerbudda. There is every prospect that the Bombay market for Indian cotton will in time be no longer subjected to the vicissitudes of the monsoon, as by the extension of the railway principle throughout the country, there will be at all times a ready means of supplying the wants of the market. The Cape of Good Hope and Natal Coal and General Mining Company, with a capital of £60,000, in shares of £1 each, payable in full on allotment, for working the coal fields and general mining resources of both the old and the new colonies of the Cape. The fact of the existence of coal at Natal has been established, and it requires merely British capital and skill to supply our steam navigation to the East and Australia with one of the most important elements of speed. The Clarendon Consolidated Mining Company of Jamaica, with a capital of £80,000, in shares of £1 each, of which £20,000, in free shares, is to form the purchase of the lease for ninety-nine years of 20,000 acres upon which ten mines are said to have been opened. The General Water Company of France, capital £4,000,000, in shares of £10 each, and the Great Water and Sewerage Company of Paris and the Cities of France, capital £2,000,000, in shares of £10 each.

**MONEY IN ENGLAND.**—The *Bankers' Magazine*, just issued, fully confirms the views we have from time to time expressed with regard to the increasing value of money. It observes:—

"The value of money has latterly been gradually increasing, and it does not yet appear to have reached its highest point. Since the close of 1852, predictions have been uttered that a change would, before long, take place in the relative proportion of supply to demand; and they are now in a fair way of being realized. For months past it has been evident that, notwithstanding our large arrivals of gold from Australia, coupled with average remittances from America, the bank has not been able to maintain its stock of bullion against a continuous drain for export to New South Wales, Victoria, India and the Continent. Nor has this drain solely occasioned the disturbance alluded to. Local causes have also contributed to bring capital into increased employment, and to promote its use at advanced rates.

"It is proper that the plain facts associated with the augmenting demand for money should be placed before the public, so that they may not be taken by surprise, if, eventually, a further advance should occur, and the bank be necessitated to carry its rate to 5 per cent. before the expiration of December. Opinions have been freely expressed that such a maximum is not improbable; and although we are not fully prepared to indorse the statement, we feel quite assured that unless affairs, political and financial, experience a complete variation, the general rate of interest will advance to within a fraction of that point, if it does not in reality touch it.

"Nothing can be more certain than that, however sanguine may have been the views of political economists with regard to the effects of the produce of Australian and Californian gold, they are now prepared in some manner to modify them with respect to the influence they were supposed to be likely to exercise on the positive value of money. The condition of the bank returns during the past few weeks has distinctly indicated the active demand for accommodation; and, comparing their general results with those of last year, the contrast is so striking that it is not to be wondered at that those ordinarily induced to exercise caution should pause, and contemplate them with concern. Although from Australia the influx of gold has been particularly steady, and although from other sources the supply has exceeded what was formerly received, the stock of bullion in the bank has declined nearly £5,000,000, and the reserve of notes shows a diminution of almost a similar amount. Thus have the aggregate of late imports, estimated at double that sum, not only been absorbed, but there has likewise been a considerable drain upon existing resources, which unfortunately remains unchecked.

"Having arrived at the great fact that the bank is in this unfavorable position, and that the money market has been proportionately influenced, and continues in a stringent state, we may look at the principal causes which have operated to bring about this alteration. They are:—

"1. The enormous extension of trade with Australia and the adjacent colonies, the whole coast of the Pacific and California.

"2. The disposition of the public to encourage various classes of joint-stock enterprise, which has enabled speculators to bring forward schemes of every description.

"3. The estimated deficiency of the harvest, the apprehensions that the relations between Russia and Turkey will prevent the usual supplies coming forward from the former country, and the large purchases of grain on French account.

"4. The increasing prosperity of our laboring population, together with the strikes, so universally prevalent, to obtain higher rates of wages.

"In enumerating these as the principal causes, others exist, but they are so closely identified with them that their considerations will, as a matter of course, proceed in ordinary connection with the topic. For instance, the constant supplies of specie being dispatched to India; the remittances for China, occasioned by the momentous revolution in that empire; and the general exports to Germany, Holland, &c."

And with regard to the general state of monetary and commercial affairs, it remarks:—

"The present, though a dull period of the year, is invested with interest, owing to the state of our foreign relations. Commercially, there is not much change to notice; the prolongations of the negotiations for the final adjustment of differences between Russia and Turkey checking any marked improvement. The demand for money, which was considerable at the beginning of August, led to the anticipation that the bank directors would, in all probability, raise the rate of discount to 4 per cent.; but arrivals of gold from Australia being opportunely reported, a slight abatement of the pressure has since taken place. It is, however, currently believed that the measure is only deferred, the full employment for capital warranting the assumption that an advance at no distant date is almost inevitable. Much, of course, will depend upon the future position of the corn market, the foreign exchanges, and the arrangement of the Turkish question. Although gold to the amount of upwards of £1,000,000 sterling, chiefly from Port Phillip and Sydney, has been lately received, the drain upon the bank has not diminished, while the reserve of notes is likewise gradually declining. These indications will not be disregarded by those who are in the habit of paying attention to the movements of the great corporation in Threadneedle-street."

## MISCELLANEOUS.

**SUB-TREASURY.**—The sub-treasury system is one of the anomalies of the age, and persisted in, much to the inconvenience and loss of the government, as well as disadvantage to the public. The hoarding of specie by the treasury is thus spoken of by the *Money* writer of the *London Times*:

The other circumstance, however, which is now affecting the American money markets is far more general and permanent in its influence, and is one that will require to be taken into account even in the calculations that have lately excited attention regarding the movements of specie throughout the world. When the National Bank system, on account of its having been made a political instrument, was abolished in the United States fifteen years ago, the government resolved to trust no banks whatever, and a law was adopted requiring all payments on account of revenue to be made in specie, it being provided that the funds thus received should be deposited in sub-treasuries belonging to the State. While the disbursements of the nation were equal, or nearly so, to its receipts, this plan produced little inconvenience, although even at those times, as the incomings and outgoings were not always simultaneous, a disturbing effect would be produced on the money market by

a large sum being accumulated for a few weeks, and then poured forth in one or two extensive payments. But since the introduction of the reduced tariff, in 1846, the customs' duties have gone on yielding increased totals, until a surplus has been hoarded up of extraordinary magnitude. Its total, according to the returns just made, is now equal to about £4,500,000 or £5,000,000 sterling; and when the fact is borne in mind, that this heavy sum, which would, according to ordinary notions, be an ample basis for a circulation of three times its amount, is actually lying idle and unrepresented in the government's vaults, so as to be virtually in the same position, as regards any effect it can have on the world, as if it were at the bottom of the sea. An idea will be arrived at of the important element it forms in the questions regarding the counteracting circumstances in connection with the recent production of gold and the effect that may be produced by a future influx. At some not distant day the appropriation and disbursement of this surplus will be decided on, and will create effects such as few have contemplated. But meanwhile, the accumulations can only go on increasing. The revenue receipts of the country, owing to the extraordinary prosperity of trade, are augmenting month by month, and in that just ended—namely, July—they exceeded any sum ever received for a similar period. The enlargement this year of the sub-treasury hoard will, therefore, be far beyond the original estimate. It is true, the Secretary of the Treasury, according to the advices by the last packet, has, with a view of reducing it, exercised the powers vested in him for applying these funds to the extinction of the Federal debt, and has advertised his readiness to purchase a sum of United States sixes, equal to £1,000,000 sterling, at the price of 121. Much of this stock, however, is held in Europe, and the price is also such as to render it doubtful if the bid will prove successful. Just to the extent of the purchase will be the amount of specie liberated, and this specie will produce just the same effect as if it had been dug up in California or Australia; but if no sellers of United States securities should be found on the proposed conditions, the evil must go on until it shall be terminated by legislative appropriations for public works, or by some increase of national expenditure, such as would arise from a war or a purchase of a foreign territory.

**INDIANA LOST BONDS.**—Gov. Wright, of Indiana, and Dr. E. Newland, Treasurer of the same State, are in this city, for the purpose of examining into the matter of "Indiana lost bonds," about which there was some uneasiness last spring. The bonds, we are informed, have been found in the vault of the banking house of Winslow, Lanier & Co. They are supposed to be all on hand, and the Governor and Treasurer of State are examining and counting said bonds at the office of Col. May, agent of the State of Indiana.

We understand that Gov. Wright, in Company with Dr. Newland, will visit Washington City before his return to the West, to arrange the three per cent. fund. The Governor will also visit New England, for the first time in his life, as he wants to see their churches, schools, *kitchens*, and other economical arrangements; their agriculture, (a branch of industry in which he is quite at home,) their manufactures and their people. Gov. Wright is a self-made man, unostentatious in his manners, and free from sectional prejudices.

Our readers will remember, that in the midst of the bitter excitement on the subject of slavery, which preceded the compromise arrangement, Gov. Wright, a Democrat of the first water invited Gov. Crittenden, of Kentucky, a staunch Whig, and very likely a slaveholder, to come over and see him. He came—and met with a most cordial and enthusiastic reception. The most fraternal sentiments of mutual respect and attachment were interchanged, and the whole affair, public and private, went off in admirable style. It was a healing balm, administered at the right moment, and the effect was most happy, all over the Union.

Gov. Wright's visit to New England will, so far as it goes, have a similar effect. He is a good free trade man, but rejoices in the prosperity of manufactures, in common with all other branches of useful industry. Born in Pennsylvania, and now governor of a great western state, with a heart large enough to comprehend the East and the South, he is emphatically an American. He goes for the country, and the whole country.—*N. Y. Journal of Commerce.*

**COTTON.**—The condition of the cotton plant in Alabama is thus described by the *Mobile Price Current*:

The drought continued up to the beginning of July, and when the rain commenced very little upland cotton was higher than from six to eight inches, and it scarcely entered into the calculation of any man, that so small a plant could recover itself, and make any thing like a fair yield. Low estimates were consequently made of the crop. Genial rains, however, came in abundance, and with them a high temperature, exactly suited to the habits of the plant. It started off to growing rapidly, and according to our late accounts from the interior, it was of good size, and presented a remarkably healthy aspect. The continued rains and warm and rather humid atmosphere here, however, lead many to apprehend injury from the caterpillar. Indeed, it cannot be doubted, that this destructive insect is now busy on many plantations, in different parts of the cotton region. As yet, very little injury has been done, but with a continuance for a few weeks more of the present state of the weather, it must spread and commit a great deal of damage. We may add, also, that on black lands and rich river bottoms, the rains and hot suns have stimulated a too luxuriant growth, and it is observed of late, that the plant in those locations are but poorly fruited, while on the uplands there is already a fair crop made.

**NEW MINES.**—The following remarks on the new mining interest springing up, which are confirmatory of our views repeatedly expressed, are from the last number of the *Mining Magazine*:

Lake Superior, North Carolina, Tennessee and Virginia appear to be points most abundant in copper. The first, however, is, so far, immeasurably superior to the others in mineral wealth, and has, with a single exception, alone produced dividend paying mines. In the course of a year or so these will be greatly increased, and a judicious investment will give as handsome a return for money as in any other species of property. In the other points the mines being new, caution should be exercised in the investment of money, and when the managers are men of known probity and caution, there will be more security than in enterprises formed for the purpose of speculation alone.

The circle which takes an interest in this description of property is gradually but surely widening; and if care is had that this growing confidence is not abused, it will not be long before the public will be as ready to place a portion of their means in it as in any thing else. From the geologist who explores and reports, to the managers who form and conduct, there should be the most rigid adherence to truth. And in the formation of companies, managers should not take the lion's share, but allow the public to participate in the enterprise at its commencement for a fair remuneration of time, risk and expense. In the management there should be economy, and monthly reports of the receipts and expenses, and of the condition of the mine made, and kept open to the inspection of stockholders.

It is by strict adherence to these rules, joined to the richness of its mines, that the Cliff Mine has attained its very high position as a model company, while many other companies which started with it, though possessed of great mineral wealth, have yet given no return to the stockholders. Every stockholder should also claim and have the privilege of obtaining at any time a list of the stockholders of the company in which he is interested. In these matters a full, fair, impartial statement of the formation, condition, prospects and character of the company, and the names of its stockholders, will give intelligence always desirable to those interested, and assist in imparting stability and character to the enterprise. \* \* \*

It has been the habit of many parties connected with the mining interest to get up a company, dispose of the shares, and then let it take care of itself, while they go on with the manufacture of some other company. This will not do. It will destroy or retard the attainment of that high character which the mining interest in this country is yet destined to possess.

**CAPITAL.**—The London *Economist*, of the 20th ult., makes the following remarks upon the increased demand for capital throughout England:

The money market is easier this week, though we quote no alteration in the terms. Money is taken on call at 8 per cent., and no bills are discounted at a

lower rate than 3 $\frac{1}{4}$ . There is simply a less pressure for money. Two or three causes are combined to this effect. The opinion that the bank would raise the rate led to a great demand on it, and that being satisfied, some of the gentlemen who have taken the money from the bank find, as the rate is not raised, that they have some to spare. Then the late fine weather lessened the alarm for the harvest, which had a favorable influence; and combined with purchases of corn in our market, on foreign account, acted to a slight degree on the exchanges. Great bullion merchants, too, who have latterly been in the habit of sending all the gold in their possession to the continent, are now offering it here—another sign that the demand for bullion for the continent is less. But with a prodigious demand for capital existing and increasing, with prices rising and enterprise more active than ever, it cannot be expected that an easy money market should long continue. When returns come in from Australia far our late large shipments, and when propitious seasons or more extensive cultivation shall give us large supplies of food—when the great consumption of all kinds is again overtaken by production, we shall have capital cheaper, and money market permanently easier—but not till then.

**COTTON CROP.**—We have compiled from the New York Shipping List the following comparative summary of the United States:

<i>Bales—arrived at</i>	1851.	1852.	1853.
New Orleans, . . . . .	938,869	1,873,464	1,580,575
Alabama, . . . . .	451,749	549,449	545,029
Texas, . . . . .	45,820	64,052	85,790
Florida, . . . . .	181,204	188,499	179,476
Georgia, . . . . .	322,376	325,714	349,490
South Carolina, . . . . .	357,075	476,614	463,268
North Carolina, . . . . .	12,923	16,242	28,496
Virginia, . . . . .	19,940	20,620	25,788
Boston, via. Erie Canal, . . . . .	797	175	....
N. Y. and Erie Rail-Road, . . . . .	....	....	640
Baltimore and Philadelphia overland, . . . . .	....	....	9,100
<b>Total crop, . . . . .</b>	<b>2,355,257</b>	<b>3,015,029</b>	<b>3,262,882</b>

The comparative exports for the year ending Aug. 31, to foreign ports, have been as follows:

	1851.	1852.	1853.
Great Britain, . . . . .	1,413,265	1,603,749	1,736,560
France, . . . . .	301,358	421,375	426,798
Northern Europe, . . . . .	129,492	168,375	171,176
All other, . . . . .	139,595	184,647	198,626
<b>Total export, . . . . .</b>	<b>1,983,710</b>	<b>2,448,646</b>	<b>2,528,400</b>
Home consumption, . . . . .	404,108	608,029	671,009

The increased exports in quantity are 84,754 bales; add to the value of this one cent a pound on the remainder of the exports, and the increased value over the previous year would be over \$17,000,000.

**AUSTRALIAN CHARTERED BANKS.**—Now that the recent and somewhat formidable speculation connected with Australia, and springing out of the gold discoveries, has happily subsided, we may congratulate the commercial community on the result. One of the leading and dangerous features of the movement arose from the attempted introduction of not fewer than 14 new joint-stock banks, in addition to those already established in the Australian colonies; and in order to show the extent to which the mania might have proceeded, and the disastrous consequences that must inevitably have ensued had not a timely check been interposed by the warnings of the press and the course subsequently adopted by her majesty's Government, we here place on re-

cord the unsuccessful schemes, nine in number, with a proposed capital of upwards of three millions sterling, viz.:

<i>Names.</i>	<i>Represented by</i>	<i>Proposed Capital.</i>
London Bank of Australia and India,	R. J. R. Campbell, Esq., and others,	£500,000
London, Australian & Colonial Chartered Bank,	James Andrew Durham Esq.,	500,000
Commercial and Miners' Bank of Australia,	J. K. Parker, Esq., 18 New Boswell Ct.	800,000
London, Liverpool and Australian Char'd Bank,	Messrs. Price & Brown, 'Change Alley,	600,000
Royal Austr'n Banking & Gold Importing Co.,	T. Aggs, Esq., and others,	250,000
Melbourne, Adelaide, and Sydney Bank,	J. McGregor, Esq., M. P.	250,000
United Kingdom, Colonial and Foreign Bank,	Messrs. Fearon & Clabon, Great George } street, Westminster,	500,000
London and Smyrna Bank,	H. P. Pelly Hinde, Esq., 26 Birchin lane,	800,000
Bank of Canada,	Messrs. Hughes, Kearsey & Masterman, not stated.	
		£3,100,000

On the other hand, those which have been successful in obtaining charters of incorporation, are as follows, viz.: the Bank of India, Australia and China; the London Chartered Bank of Australia; the English, Scottish and Australian Bank; and the Bank of Asia. And we incline to the opinion that the government have observed a wise discretion, not only in the selection of these particular undertakings, but also in so steadfastly opposing the introduction of too many new banks at one time. Had greater facilities been accorded to promoters of such institutions, their number would have been still more numerous. There cannot be a doubt that the establishment of a new bank in opposition to the monopoly of the Oriental corporation has been for some time much called for, and we believe the impulse to the whole movement mainly arose from this fact. And for the special reason, therefore, that the Bank of India, Australia and China, was the first of the new undertakings projected, we have placed it at the top of the list. For the like reason it is satisfactory to observe that public opinion, both here and in Australia, appears to coincide in stamping it as one of the most legitimate of them all, because the field which it proposes to embrace has not hitherto been occupied in its full scope by any existing bank. The Oriental corporation will be its only rival, and when that institution is about to pay a dividend, principally arising from profits in exchange operations with India and China, of more than 20 per cent. per annum, it may not unreasonably be inferred that there is ample room for another bank in the same lucrative field. As the views of the colonists and the colonial press upon a matter of so much commercial and monetary importance to them must necessarily be of considerable interest to both the shareholders and the public, we close our remarks with the following observation of the *Sydney Empire*:

"It is certainly one of the remarkable phases of the times, that banking affairs, in connection with Australia, are assuming such vast scope and pretension. There is no room to question that the existing banks at Sydney, both those strictly colonial and those whose centrality is in London, are well conducted and highly prosperous. The Colonial banks have especially seemed, during the last two years, to spring into new life. The management has fallen into the hands of clever and upright men, and the old faults of management seem to have been purged out. The Bank of New South Wales has increased its shares, and proposes a further increase. The Commercial Bank also has increased the number of its shares. Both banks are now proposing to establish branches in London, to enable them to do business with the capital of the empire by means of establishments of their own. Stimulated by the success of existing banks, a fifth is now starting on its course with a high degree of public favor, and if prudently conducted, will doubtless share a good measure of the general advantage. The British mercantile public is not slow to catch the influence, and is laying its plans to participate in the gain.

"Among the various banking projects which the American gold discoveries have given rise to, three names appear in the English papers which demand a passing notice. These are the English, Scottish and Australian Chartered Bank, the London Chartered Bank of Australia, and the Chartered Bank of India, Australia and China. It is not so much upon the projects themselves, as upon the general question connected with them, we shall deem it proper just now to hazard much remark.

"The first in the list cannot, if its name be correct, be regarded any more as an Australian than as an English bank; it merely includes Australia within its range. It may, however, owing to the advantages at present connected with the trade of Australia, have a prevailing, although a contingent bearing in this direction, more especially as it can hardly be doubted that it is the actual prosperity of Australian affairs which has called it into existence.

"The second has a direct reference, in its title, to Australia. In fact, if its title be true, it is an Australian bank, though locally situated not in Australia, but in London, and its list of directors includes names tolerably well known in the colony.

"The third of these projects, if we rightly understand its title, does not include England in its scope, but extends its powers over the whole of the east and south, from the longitude of the Indies. The reasons given for the establishment of this bank are plausible. The trade between Australia, India and China is sure of continual augmentation; this is inevitable. The growing population of Australia will involve a larger consumption of Chinese and Indian produce every year; and the exports of Australia to India, especially of gold, will increase in an analogous proportion. But the chief consideration is, that so important a branch of the English nation is growing up contiguous to these Eastern countries, to invite every species of friendly reciprocity. There is no banking institution which occupies the precise field which this proposes to occupy. The connection of other Australian banks with India and China, is no necessary part of their constitutions, but is rather accidental than otherwise. To fill up this vacuum is the ostensible purpose of the last named bank.

"The ground which it proposes to occupy is every way legitimate, and it really seems necessary."

THE FINANCIAL CONDITION OF THE UNITED STATES IN AN ENGLISH POINT OF VIEW.—The recent advices from the United States represent a condition of financial affairs which has an important bearing on the money markets of other countries. Two peculiar causes are in operation to produce an unusual influence, and although one of them is of a more local character than the other, they are both of sufficient magnitude to occasion very striking results. Until recently, the laws of New York have required the various banking institutions of the State to publish their accounts of liabilities and assets only once every three months. The consequences, however, were found to be such as to necessitate reform. No system could have been more favorable for a gambler, or more hurtful to the regular transactions of commerce. Within a few weeks of the period for the issue of their statements, the banks, in order to exhibit a position of great safety, were accustomed to call in a large proportion of their loans, and as soon as the necessity was over, they would then again accommodate their customers with greater liberality than ever. Hence a quarterly panic in the stock market, followed by an equally violent rebound, was an event always to be looked for, and speculators of large means, acting upon this knowledge, could realize profits with a degree of certainty that afforded a singular illustration of the blindness of the smaller dabblers among the general public, who were invariably its victims. To remedy this, a new law has lately been passed, which came into force on the 9th of the present month, and which requires from each bank for the future, weekly instead of quarterly publications. The last intelligence from New York reached to the 10th inst., and by confirming the anticipations as to the effect to be produced by the first operation of this measure, demonstrated its usefulness. The same rapid steps of contraction had been pursued by the several institutions preparatory to the appointed day, as had been witnessed previously on the approach of each quarterly period. The rate of discount, even on the best commercial paper, was suddenly raised; the quotation of exchange on England declined so as to check the amount of specie remittances; advances on all kinds of securities were required to be repaid, and even mint notes against deposits of bullion were sold at a considerable discount to avoid the few days' delay before their amount in coin could be obtained; a simultaneous fall of 5 to 15 per cent. in all except the most established securities being likewise reported. From this time, however, no such revulsions can recur. The returns of each bank being made from week to week, cannot admit of sudden fluctuations, and there will be no inducement beyond such as the fair course of the market may offer to vary the amount of accommodation to the commercial public. After this date, therefore, as far as mere



bank regulations bear on the question, a much more steady state of affairs may be expected, and the causes of the momentary pressure being recognised, a return of confidence may be relied upon.—*London Times*.

**AMERICAN GOLD AND SILVER COINAGE.\***—This volume is published by the Assayers of the Mint of the United States, and designed as a convenient and authentic manual for individuals or institutions dealing in the precious metals, and especially those engaged in the California trade. It contains accurate specifications and descriptions of all the new varieties of American gold and silver coins, especially those minted in California, as well as of the tests used for the detection of counterfeits. Some of the Californian gold coins figured in this work are of great magnificence, ranging in value from ten to fifty dollars, and quite eclipsing the finest specimens of the Old World, even Spain's noble *uncia*.

A publication such as this is of course indispensable to persons engaged in any department of the bullion trade. Not the least interesting of its contents is an account of the various ancient and modern coins deposited in the Museum of the United States Mint at Philadelphia, to the number of nearly 4,000, under the title of "Pledges of History."—*London Morning Chronicle*.

**PENNSYLVANIA BANKS.**—Notice has been given, as required by law, of the following applications for renewals of Bank Charters in Pennsylvania:

FOR RENEWALS AND INCREASE OF CAPITAL.			
Bank of Pennsylvania, Philadelphia,	\$1,375,000	Farmers' Bank of Harrisburg,	200,000
Bank of North America, do.	1,000,000	Farmers and Mechanics' Bank of Catasauque, Lehigh Co.,	200,000
Bank of Commerce, do.	500,000	Bank of New Castle, Lawrence Co.,	200,000
Penn Township Bank, do.	800,000	Anthracite Deposit Bank, Schuyl. Co.,	300,000
Bank of Middletown, . . .	100,000	Tamaqua Deposit Bank, do.	100,000
Miners' Bank of Pottsville, . . .	500,000	Anthracite Savings Bank, do.	100,000
Northumberland Bank, . . .	500,000	Donegal Bank, Marietta, Lancas. Co.,	200,000
Western Bank, Philadelphia, . .	418,000	Lackawanna Bank, Scranton, Luzerne Co., . . . . .	400,000
Dauphin Deposit Bank, . . .	200,000	Agricultural Bank, Somerset, Somerset Co., . . . . .	100,000
Honesdale Bank, . . . . .	100,000	Glade Bank, . . . . .	200,000
Bank of Gettysburg, . . . . .	123,578	Carlisle Bank, . . . . .	100,000
York County Bank, . . . . .	150,000	Warren County Bank, . . . . .	100,000
Manufacturers and Mechanics' Bank, Philadelphia, . . . . .	600,000	Huntington Deposit Bank, Huntington Co., . . . . .	100,000
Carlisle Deposit Bank, . . . . .	22,000	Pottsville Savings Bank, . . . . .	100,000
	<b>\$6,109,578</b>	State Capital Savings Bank, Harrisburg, . . . . .	100,000
FOR NEW INSTITUTIONS.		Miners' Savings Bank, Pottsville, . .	100,000
Exchange Deposit and Discount Institution, Philadelphia, . . .	\$1,000,000	Pottsville Savings, . . . . .	100,000
Franklin Bank, Philadelphia, . .	500,000	Mount Pleasant Savings, Westmoreland Co., . . . . .	50,000
Union Bank, do. . . . .	500,000	Blairsville Trust and Savings Company, Indiana Co., . . . . .	100,000
Farmers and Traders', N. L. Phila.,	250,000	Portsmouth Savings, Portsmouth, .	100,000
Philadelphia Deposit Bank, . . .	300,000	Cannonburg Savings, Washington Co., . . . . .	50,000
Lumberman's Deposit Bank, Dauphin Co., . . . . .	500,000	Reading Savings Institution, . . .	50,000
Iron Manufacturers' Bank, . . .	800,000	Cumberland Valley Savings, Commercial Co., . . . . .	80,000
Pittston Bank, Luzerne Co., . . .	400,000	Dickinson Savings Bank, . . . . .	25,000
Miners' Bank, at Sunbury, . . .	408,000		
Montour Bank, at Danville, . . .	200,000		
Farmers and Mechanics' Bank of Allentown, Lehigh Co., . . . .	250,000		
Cannonburg Bank, Washington Co.,	150,000		<b>\$7,685,000</b>

\* New varieties of gold and silver coins, counterfeit coins, and bullion, &c. New York: Putnam.

**CINCINNATI BANKS AND BANKERS.**—The Cincinnati *Gazette* furnishes the following statement of the average capital of the banking institutions of that city, taken from the books of the county auditor, and ascertained by the sworn statement of the parties, or, where they neglected or refused to testify, estimated by the auditor himself, to which, by law, fifty per cent. additional was added as a penalty :

OHIO LIFE TRUST COMPANY.		BROKERS.	
Banking Department—auditor's assessment, . . . . .		This list omits a number whose taxable capital is below the sum of . . . . .	
50 per cent. penalty, . . . . .		Ellis & Sturges—ass'm't, \$1,200,000	
		Penalty, . . . . .	
		Citizens' Bank, ass'm't, . . . . .	
		Penalty, . . . . .	
Trust Department—loans on mortgages, . . . . .		T. S. Goodman & Co., . . . . .	
Penalty, . . . . .		Groesbeck & Co., . . . . .	
		Stanhope S. Rowe & Co., . . . . .	
		Hatch & Langdon—assessment, . . . . .	
		Penalty, . . . . .	
City Bank—auditor's assessment, . . . . .		Gilmore & Brotherton, . . . . .	
Penalty, . . . . .		George Milne & Co., . . . . .	
		McMicken & Co., . . . . .	
Commercial—auditor's assessment, . . . . .		Burnet & Shoup—ass'm't, . . . . .	
Penalty, . . . . .		Penalty, . . . . .	
		P. Outcalt & Co., . . . . .	
Lafayette—auditor's assessment, . . . . .		Dunlevy, Atwood & Co., . . . . .	
Penalty, . . . . .		A. J. Wheeler, . . . . .	
		John S. Dye—assessment, . . . . .	
		Penalty, . . . . .	
M. & Traders—auditor's assessment, . . . . .		Ingall & Brother, ass'm't, . . . . .	
Penalty, . . . . .		Penalty, . . . . .	
		P. B. Manchester, . . . . .	
Savings Bk.—auditor's assessment, . . . . .		Almy & Wilcox, . . . . .	
Penalty, . . . . .		James Hall, agent of old Commercial Bank, . . . . .	
		W. W. Cones & Co., . . . . .	
		Wood & Dunlap, . . . . .	

The tax law of Ohio requires each bank and broker to state, upon oath, the amount of capital used; and in the event of neglect or refusal, the auditor is directed to estimate it, and to add fifty per cent. as a penalty. By this process, there is now nearly \$16,000,000 on the assessment roll, as the banking capital of Cincinnati, upon which the taxes will amount to \$280,000.

**CALIFORNIA GOLD.**—By tables published in the San Francisco Herald, it appears that the amount of gold shipped from that port during the six months from the 1st of January to the 30th of June, was as follows:

For New York, . . . . .	\$24,675,786 63	For Sandwich Islands, . . . . .	1,000 00
New Orleans, . . . . .	140,718 00	China, . . . . .	868,651 44
London, . . . . .	3,504,281 25	Manilla, . . . . .	17,450 00
Panama, . . . . .	798 10	Calcutta, . . . . .	1,940 00
Valparaiso, . . . . .	251,062 27	New South Wales, . . . . .	83,670 00
Total to all quarters, . . . . .		\$25,999,552 74	

There has been shipped to other ports, principally South American and Asiatic, in doubloons, dollars and coin, . . . . . \$451,212 14

Total gold dust, . . . . . 25,991,552 74

Total treasure, . . . . . \$29,442,764 88

This is at the rate per annum of . . . . . 58,885,529 76

In addition to this statement, we append the shipment of gold dust by the steamers, from July 1st to August 16th, inclusive:

Treasure shipped during the six months ending June 30th, 1853, . . . . . \$29,442,764 88

Total for July, . . . . . 4,182,601 00

Total for August, . . . . . 4,705,582 00

Total shipment of treasure for the first eight months of 1853, . . . . . 88,280,947 88

The fluctuations in the shipments during the same months of different years may prove interesting:

	1852.	1853.
Shipped during January, . . . . .	\$2,905,770	\$1,821,604 00
" February, . . . . .	1,770,122	5,781,278 81
" March, . . . . .	2,178,804	4,810,817 65
" April, . . . . .	8,467,298	7,660,851 62
" May, . . . . .	5,470,923	2,766,578 70
" June, . . . . .	8,570,266	6,198,481 92
" July, . . . . .	4,119,509	4,182,601 00
" August, . . . . .	8,608,808	4,705,582 00
Total for first eight months, . . . . .	27,035,490	88,280,947 88
Excess in favor of 1853, . . . . .		10,195,475 88

## BANK ITEMS.

**NEW YORK.**—Since the date of the last quarterly returns of the New York banks to the bank department, several changes have been made in the capitals of the city banks. I. The American Exchange Bank; capital increased from \$1,500,000 to \$2,000,000, and an extra dividend of ten per cent. declared on the former amount. II. City Bank; capital increased from \$800,000 to \$1,000,000. III. The Corn Exchange Bank; capital will be increased to \$1,000,000 in October, 1853.

**Rome.**—Samuel Wardwell, Esq., of Adams, Jefferson Co., has been appointed Cashier of the Fort Stanwix Bank, in place of P. V. Rogers, Esq., who has resigned, to accept the Cashiership of the Bank of Utica.

**Albany.**—Ichabod L. Judson, Esq., Vice-President of the Albany Exchange Bank, has been elected President of that Bank, in place of Samuel Pruyn, Esq., who declined a re-election.

**Assay Office.**—The Bank of the State of New York have leased to the General Government their property adjoining the Custom House, Wall-street, hitherto occupied by that bank and by the Bank of Commerce, in the City of New York. It is understood that the government will pay an annual rent of \$52,000, having the option of purchasing the property, (if Congress so decide,) for the sum of \$520,000. For the present, the former bank will occupy the rotunda in the basement of the Merchants' Exchange, and until a more eligible location can be obtained. The Bank of Commerce will be removed to the corner of Broad-street and Exchange Place.

*New York State Banks.*—The following are the names of banks in this State, that have been organized since April, 1853:

<i>Names.</i>	<i>Names.</i>
Niagara River Bank, Tonawanda,	Bank of Cooperstown,
Chittenango Bank,	Mechanics' Bank of Williamsburgh,
Bank of Coxsackie,	Huguenot Bank of New Paltz,
Bank of Rhinebeck,	Mercantile Bank of Plattsburgh,
Merchants' Bank of Westfield,	Judson Bank, Ogdensburgh,
Bank of Commerce, Putnam County, Carmel,	Hamilton Bank,
Bank of Salem, Washington Co.,	Commercial Bank of Glens Falls,
Bank of Sing Sing,	Oneida County Bank, Utica,
Iron Bank, Plattsburgh,	Jamestown Bank,
Spraker Bank, Canajoharie,	Queen City Bank, Buffalo.

**MASSACHUSETTS.**—Mr. Robert N. Woodworth, Teller elect of the Elliot Bank of Boston, has received the appointment of Cashier of the Bank of Brighton, at Brighton, Mass., in place of L. Baldwin, Esq., resigned. Mr. Woodworth has recently been connected with this bank as Teller.

**CONNECTICUT.**—Nicholas V. Fagan, Esq., was, on the 6th September, elected Cashier of the Central Bank, Middletown, Connecticut.

**RHODE ISLAND.**—Amos P. Wells, Esq., has been elected Cashier of the Landholders' Bank, Kingston, Rhode Island, in place of his father, Thomas R. Wells, Esq., deceased.

**VERMONT.**—Henry Wardner, Esq., of Brattleborough, has been appointed Cashier of the Ascutney Bank, Windsor, in place of Jason Steele, Esq., resigned.

**KENTUCKY.**—A Branch of the Southern Bank of Kentucky has been established at Louisville, Ky., of which A. A. Gordon, Esq., has been appointed President, and J. B. Alexander, Esq., Cashier.

**INDIANA.**—The State Bank of Indiana, whose charter will soon expire, has issued a circular, addressed to numerous banking institutions, with a view to obtain information as to the average loss of bank bills in a series of years. The resolution adopted by the State Bank of Indiana was as follows:

*Resolved,* That the Cashier of the State Bank be authorized and directed, during the next vacation of this Board, both by correspondence and personal conference, so far as practicable, with the former officers of banking institutions in this country, which have closed their business after completing their chartered existence, to ascertain and report to this Board at its next session, a just and safe per centum of substituted circulation to be issued to the respective branches of this bank, for the amount of the paper of the bank believed to be actually lost by circulation or otherwise.

Any information upon the subject will be gladly received by the bank at Indianapolis during the month of October, 1853.

**SOUTH CAROLINA.**—Thomas W. Holloway, Esq., has been elected Cashier of the Bank of Newberry.

**GEORGIA.**—Elias Reed, Esq., has been elected President of the Marine and Fire Insurance Bank of the State of Georgia, at Savannah, in place of Edward Padelford, Esq. The capital of the bank has been increased from \$578,750 to \$800,000.

**TENNESSEE.**—The Bank of Nashville has been established at Nashville, under the general banking law of Tennessee, with a capital of \$500,000, of which about \$100,000 has been paid in. The bank commenced business on the 1st of August. President, Nicholas Hobson, Esq., (formerly Cashier of the Planters' Bank of Tennessee.) Cashier, Wesley Wheelers, Esq.

## Notes on the Money Market.

NEW-YORK, SEPTEMBER 26, 1853.

*Exchange on London, at sixty days' sight, 9 @ 9½ premium.*

THE scarcity of money alluded to in our September number has continued during the present month. The rates at present in the street are 8 a 10 per cent. for prime business paper and for loans on call. The banks have felt themselves compelled to reduce their line of discounts from \$92,856,000 on the 27th of August, to \$90,092,000 at this. Their loans, specie, circulation and deposits, according to the official reports from 1849 to this time, were as follows:

	<i>Loans.</i>	<i>Specie.</i>	<i>Circulation.</i>	<i>Deposits.</i>
September, 1849, . . . .	51,079,220	6,022,250	5,990,100	28,551,092
September, 1850, . . . .	62,886,523	9,056,185	6,695,010	37,280,880
September, 1851, . . . .	65,426,853	6,032,468	7,376,114	36,937,870
September, 1852, . . . .	68,815,464	8,702,895	8,678,664	50,216,410
February 26, 1853, . . . .	95,274,876	8,991,680	9,274,025	57,556,507
June 11, 1853, . . . . .	95,520,656	12,174,509	9,084,106	59,078,171
August 6, 1853, . . . . .	97,699,617	9,746,452	9,510,465	60,994,568
August 18, 1853, . . . . .	95,562,277	10,654,618	9,451,945	58,166,712
August 20, 1853, . . . . .	98,866,970	11,092,552	9,414,696	57,817,218
August 27, 1853, . . . . .	92,886,954	11,819,049	9,497,191	57,481,806
September 8, 1853, . . . .	91,741,388	11,268,049	9,554,294	57,502,970
September 10, 1853, . . . .	91,108,347	11,880,698	9,597,386	57,545,164
September 17, 1853, . . . .	90,190,589	11,860,285	9,566,723	57,612,801
September 24, 1853, . . . .	90,092,765	11,849,925	9,477,541	58,812,384

As a measure for their own protection, the banks have of late reduced their loans on time bills, and enlarged their loans repayable "on demand." This is with a view to hold a specific sum that may be converted into cash at a few hours' notice. This being done generally, it will be apparent that in case of suddenly calling in these loans, the inconvenience to their customers must be very great.

It is believed that the banks have now curtailed as much as they feel any necessity for; and that from this point a gradual enlargement, according to increased means, will take place.

The heavy shipments of coin which we noticed in the months of June, July and August, have ceased. The arrivals from California during the present month amount to about \$5,000,000, showing a balance of \$11,840,000 in the banks, and \$10,189,300 in the sub-treasury at New-York. The accumulation has been gradual since February last, as will appear by the following table:

1853.	<i>Sub-Treasury.</i>	<i>Banks.</i>	<i>Total.</i>
February 26, . . . . .	\$5,279,000	\$3,991,000	\$14,270,000
June 11, . . . . .	7,546,000	12,174,000	19,720,000
August 6, . . . . .	8,406,000	9,746,000	18,152,000
" 18, . . . . .	8,550,000	10,654,000	19,204,000
" 20, . . . . .	8,401,000	11,092,000	19,493,000
" 27, . . . . .	8,991,000	11,819,000	20,810,000
September 8, . . . . .	9,079,000	11,268,000	20,347,000
" 10, . . . . .	8,907,000	11,880,000	20,287,000
" 17, . . . . .	9,825,900	11,860,200	21,686,100
" 24, . . . . .	10,189,300	11,840,900	21,530,200

The exports for the current year from the port of New York have been as follows:

January, . . . . .	\$747,679	June, . . . . .	\$3,264,282
February, . . . . .	1,121,020	July, . . . . .	3,924,612
March, . . . . .	592,479	August, . . . . .	1,188,978
April, . . . . .	767,055	September, (to date,) . . . . .	969,981
May, . . . . .	2,162,467		

The stock operations of the month have been on a very extensive scale, showing a steady improvement from week to week, and at this time a considerable advance on the quotations of the

last week in August. Erie Rail-Road shares, which form one of the leading features of the stock market, have increased from 69 in August, to 88 at this date. The rise was mainly owing to the prevalent impression that the improved finances of the company would authorize a dividend for October. This opinion has been confirmed. On the 22d inst. a dividend of 3½ per cent. was announced, from the accumulated profits of the last ten months, the anticipated dividend for May having been postponed, and the months of October and April now fixed for the future dividends.

The advanced prices of the month, as compared with the month of August, show that largely increased capital is employed in stock operations in Wall-street. This is in part obtained in loans on call from the banks, and the paper of legitimate dealers to the same amount is thereby thrown out at the discount board. The pressure during the last six weeks has been mainly among stock operators, whose demands are in many cases complied with at the expense of the mercantile classes.

The demand among the latter has not been very pressing. The fact that the banks hold deposits to the amount of nearly sixty millions, shows that money is abundant among our merchants and traders. The business of New York was never more active than at the present time. Payments from the South and West have been unusually prompt throughout the whole year. The additional facilities granted by the banks of the interior, added to the very heavy crops, have enabled country merchants to pay promptly and to increase their orders.

The business community would, however, be better served if the banks would reduce their "loans on demand," which are mainly loans on collateral stocks, and enlarge their discounts on regular paper to the extent which existed four or five weeks since; thus aiding the business community as fully as possible, and leaving the stock operator to negotiate outside at the exorbitant rates which some legitimate dealers are now compelled to pay.

Accounts from all portions of the country show that prosperity is general among the commercial and manufacturing circles, and throughout the agricultural districts. Every department of trade is active: prices are highly remunerative to the farmer and the mechanic, the merchant and manufacturer. This is fully shown in the increased demand for banking capital, the enlarged volume of bank circulation throughout the country, and the advanced rates of interest in this country and in Europe.

The London market shows evident signs of increased trade and a great demand for money. The exports of Great Britain are greater than ever before known, accompanied by unprecedented activity in her manufacturing districts.

This demand is so general, with indications of too rapid growth and of speculation, that the Bank of England has advanced the minimum rate of interest to four per cent. The private bankers of the metropolis are now receiving deposits at 8 and 8½ per cent., which a few months ago they declined at any rate above 1½ per cent.

The cotton season for the year terminated on the 1st of September, showing a crop of 3,262,552 bales for the twelve months. The following is a comparative table of the product of cotton for the last thirty years:

<i>Crop of</i>	<i>Bales.</i>	<i>Crop of</i>	<i>Bales.</i>	<i>Crop of</i>	<i>Bales.</i>
1852—3, . . .	3,262,882	1842—3, . . .	2,373,875	1832—3, . . .	1,070,483
1851—2, . . .	3,015,029	1841—2, . . .	1,658,574	1831—2, . . .	957,477
1850—1, . . .	2,855,257	1840—1, . . .	1,634,945	1830—1, . . .	1,038,548
1849—50, . . .	2,096,706	1839—40, . . .	2,177,835	1829—30, . . .	976,545
1848—9, . . .	2,723,596	1838—9, . . .	1,860,582	1828—9, . . .	857,744
1847—8, . . .	2,347,634	1837—8, . . .	1,801,497	1827—8, . . .	720,593
1846—7, . . .	1,773,651	1836—7, . . .	1,422,930	1826—7, . . .	957,281
1845—6, . . .	2,100,537	1835—6, . . .	1,860,625	1825—6, . . .	720,027
1844—5, . . .	2,394,503	1834—5, . . .	1,254,823	1824—5, . . .	569,249
1843—4, . . .	2,030,409	1833—4, . . .	1,205,894	1823—4, . . .	569,158

The foreign export amounts to the enormous quantity of 2,528,400 bales, viz.: to Great Britain, 1,786,560; to France, 426,728; to the north of Europe, 171,176; to other foreign ports, 198,636 bales.

Of the fluctuations in the money and produce markets, and of the reliance which is felt in England upon the United States, as a grain producer and as a consumer, the London *Spectator* of the 8d instant says:

We have our own difficulty to contend with. Our harvest is calculated to be something under the average; and as unquestionably an enlarged amount of means is in the hands of the people,

the demand will be in excess on that of previous years, with a shorter supply at home. For other supplies we calculate a considerable degree, no doubt, upon America; and here our difficulty tends to correct their difficulty; in other words, the exchange, which they have in some degree anticipated, will be proportionably balanced by their exports of grain. This is but one illustration of the effects of free trade, which enable fluctuations of one country to correct those of another. By this means the people of the two countries are becoming connected as closely as the members of two families living together in the same town and trading together. There was a time when war used to be spoken of as a means of wiping off old debts; but here we observe, that as fast as a debt occurs on one side, it has to be redeemed by a debt incurred on the other, and the welfare of each is involved for a time of indefinite extension in that alternation of debt incurred."

In Government six per cents. there is very little change during the month. The coupon bonds of 1868 readily command 122½, and few in the market.

In State loans we note an advance in Pennsylvania five per cents., 1½ a 1¾; Kentucky six per cents., ½; Illinois Internal Improvement sixes, from 88 to 89½; Indiana five per cents., from 97½ to 98¾; two and a half per cents. from 54 to 56; Virginia six per cents., from 105½ to 106¾. There is a slight falling off in Missouri, California and Maryland loans. There will, however, be no material reduction in the market values of State loans. There is a steady demand for them in this market.

City loans generally are in demand, and bear a good premium. The only six per cent. loans quoted under par are those of New Orleans, St. Louis, Louisville, Pittsburgh and Alleghany Cities.

In foreign exchanges there is a slight advance on the quotations of August. Bankers' bills on London, at 60 days, are firm at 109¼ to 109½, which is about ¼ to ½ below the specie point. The increased activity in breadstuffs has created a better supply of commercial bills at 108½ to 109.

---

## DEATH.

At Kingston, R. I., on 21st August last, THOMAS R. WELLS, Esq., aged sixty-nine years. Cashier of the Landholders' Bank, from its commencement of operations, in the year 1818, until his death.



THE  
BANKERS' MAGAZINE,  
AND  
Statistical Register.

VOL. III. NEW SERIES. NOVEMBER, 1853.

No. V.

GOVERNMENT FINANCES.

WE have the pleasure of placing before our readers a statement of the government receipts and expenditures for the fiscal year ending 30th June, 1853. This statement has been furnished by the Treasury Department, in advance of the ordinary period of publication. It would be a decided advantage if such tabular details were fully prepared by the Treasury Department and communicated in a printed form to Congress, instead of the usual mode, whereby the public do not learn the particulars for three or four weeks after the commencement of the session of Congress.

It affords us pleasure to commend the present administration of the Treasury Department, for the regularity and efficiency with which its affairs are conducted, and for the ready and obliging manner in which reasonable applications for information on subjects of public interest are answered. The Department judges correctly when it determines that its statistics may be most effectually brought to the knowledge of Congress and the country through the public press, and properly adopts that medium of publication whenever consistent with a due respect for the executive and legislative branches of the government.

The following table shows that there had been an increase in the receipts from Customs on the year ending June 30th, 1852, of \$11,591,538.90. The receipts from the sales of public lands had declined from \$2,043,239.58, to \$1,667,084.99, exhibiting a falling off of \$376,154.57. The receipts from miscellaneous sources increased \$409,163. The balance in the



Treasury at the beginning of the present year exceeds that of the preceding by \$7,310,756, and on the 1st July, 1853, amounted to \$21,942,892. The total available means for the year were \$75,986,050 87.

The amount of public stock redeemed in the course of the year was \$6,394,508, on which there was paid an amount of premium equal to \$389,737. The amount of commission paid on purchases of stock was \$2,541 61. During the preceding year there was extinguished of the funded and unfunded debt, \$6,045,000, including \$3,180,000, being the last instalment of the Mexican indemnity. The total payments out of the Treasury during the last fiscal year, exceed the aggregate of the preceding one by \$8,036,000, exclusive of payments during both years for the redemption of public debt, and other expenditures on account of public debt; the expenditure of the two years, representing the ordinary disbursements for the support of Government, were as follows:

Year ending June 30, 1853, . . . . .	\$35,962,099
" " " 1854, . . . . .	48,546,000
Increase for 1854, . . . . .	\$12,583,901

Should no serious commercial revulsion disturb the course of business, it may be expected that the revenue from customs during the current year will exceed that ending in June last by ten per cent., and that it will amount to \$65,000,000. As we cannot reasonably anticipate any increase of expenditure during the year, the surplus now in the Treasury will have been increased to \$43,000,000 by the 1st of July, 1854, unless kept down by the redemption of public debt before maturity.

By way of comparison, we subjoin the tables of Revenue and Expenditures of the General Government for the past nine years.

## REVENUES.

Year ending June 30th.	Customs.	Miscellaneous.	Total.
1845, . . . . .	\$27,528,118	\$2,241,021	\$29,769,139
1846, . . . . .	26,712,668	2,786,579	29,499,247
1847, . . . . .	28,747,864	2,598,926	31,346,790
1848, . . . . .	31,757,070	3,679,679	35,436,750
1849, . . . . .	28,846,788	2,727,608	31,574,397
1850, . . . . .	39,665,686	3,707,112	43,372,798
1851, . . . . .	49,017,568	3,295,412	52,312,980
1852, . . . . .	47,820,826	2,425,278	50,246,104
1853, . . . . .	58,981,865	2,405,707	61,387,572

## EXPENDITURES.

Year ending June 30th.	Civil List and Miscellaneous.	War.	Navy.	Total.
1845, . . . . .	\$5,608,207	\$9,538,208	\$6,228,639	\$21,375,054
1846, . . . . .	6,788,000	13,579,428	6,450,862	26,818,290
1847, . . . . .	6,715,854	41,281,606	7,931,633	55,929,093
1848, . . . . .	5,565,070	27,820,163	9,406,787	42,811,920
1849, . . . . .	14,017,640	17,290,936	9,869,818	41,178,394
1850, . . . . .	14,839,725	*12,801,764	7,923,818	35,565,307
1851, . . . . .	17,872,967	*11,814,793	8,987,798	38,675,558
1852, . . . . .	17,861,164	*18,424,075	8,928,236	45,213,475
1853, . . . . .	17,174,955	*15,476,825	10,891,689	43,543,469

\* Including payments under the control of the Department of the Interior, which commenced in 1849, '50. The appropriation to the public debt was in the year 1851, '52, \$6,022,116.

It will be seen that the expenditures in the last four years of peace have increased rapidly beyond the expenditures of 1844, '45 and '46. The present revenue so largely exceeds the wants of the Government, that one of the early measures of Congress will be to dispose of the accumulated surplus.

The following circulars have been issued by the Treasury Department, in reference to the public debt.

TREASURY DEPARTMENT, *October 8, 1853.*

Notice is hereby given to the holders of the six per cent. stocks of the loan authorized by the act of April 15, 1852, and redeemable 31st December, 1862, and also to the holders of the six per cent. stocks of the loan authorized by the act of July, 1846, redeemable 12th November, 1856, that this department is prepared to purchase, at any time between the date hereof and the 1st of December next, to the extent of two millions of said stock, in the manner and on the terms hereinafter mentioned, to wit:

In case of any contingent competition, within the amount stated, preference will be given in order of time in which the said stocks of either kind may be offered. The certificates, duly assigned to the United States, must be transmitted to this department; upon the receipts whereof, a price will be paid compounded with the following particulars:

1st. The par value or amount specified in each certificate.

2d. A premium of six per cent. on the stocks of 1843, redeemable in 1862, or a premium (as the case may be) of 8½ per cent. on the stocks of 1846, redeemable in 1856.

3d. Interest on the par of the certificate from the 1st of July, 1853, to the date of receipt and settlement at the treasury, with the allowance (for the money to reach the owner) of one day's interest in addition.

Payment for said stocks will be made in drafts of the Treasurer of the United States, or the Assistant Treasurer at Boston, New York or Philadelphia, as the parties may direct.

JAMES GUTHRIE, *Secretary of the Treasury.*

—  
TREASURY DEPARTMENT, *October 8, 1853.*

Notice is hereby given to the holders of the six per cent. stocks of the United States of the loan authorized by the act of 28th January, 1847, and redeemable the 31st of December, 1867, and of the loan authorized by the act of 31st March, 1848, and redeemable 30th June, 1868, that this department is prepared to purchase, at any time between the date hereof and the 1st day of December next, to the extent of the sum of five millions of dollars of the said stock, in the manner and on the terms hereinafter mentioned, to wit:

In case of any contingent competition, with the amount stated, preference will be given in the order of time in which the said stocks may be offered. The certificates, duly assigned to the United States, must be transmitted to this department; upon the receipt whereof, a price will be paid compounded of the following particulars:

1. The par value or amount specified in each certificate.

2. A premium on said amount of twenty-one per cent.

3. Interest on the par of the certificate from the 1st of July, 1853, to the date of receipt and settlement at the treasury, with the allowance (for the money to reach the owner) of one day's interest in addition.

Payment for said stocks will be made in drafts of the Treasurer of the United States, or the Assistant Treasurer at Boston, New York or Philadelphia, as the parties may indicate.

JAMES GUTHRIE, *Secretary of the Treasury.*

## FINANCES OF THE GOVERNMENT FOR 1852-'53.

*State of the Treasury, by quarters, for the fiscal year ending 30th June, 1853.*

REVENUE.	Quarter ending 30th Sept., 1852.	Quarter ending 31st Dec., 1852.	Quarter ending 31st March, 1853.	Quarter ending 30th June, 1853.	TOTAL.
Customs, . . . . .	15,792,985 71	11,807,463 45	16,908,499 83	15,097,985 54	58,981,935 59
Lands, . . . . .	415,945 91	243,537 16	422,080 78	555,521 14	1,637,084 99
Incidental, . . . . .	191,900 10	88,018 37	170,105 50	244,299 92	789,923 89
Loans, under Act of 28th January, 1847, . . . . .	10,850 00	800 00	2,450 00	2,850 00	16,850 00
Trust Funds, Smithsonian Institution, . . . . .	16,241,331 73	11,584,870 98	16,808,065 10	16,024,636 60	61,358,924 40
Peruvian Indemnity, . . . . .	3,224 83	8,941 80	3,224 83	....	16,391 06
Brazilian Indemnity, . . . . .	....	....	43,300 00	....	43,300 00
Chickasaw Fund, . . . . .	980,459 85	....	....	....	980,459 85
Navy Pension Fund, . . . . .	54,147 70	655 28	38,761 01	12,452 91	107,996 90
	768 00	....	500 60	1,143 67	2,469 27
	16,681,363 00	11,594,468 06	16,838,981 84	16,062,213 18	61,903,404 58
EXPENDITURE.					
Civil, Miscellaneous and Foreign Intercourse, . . . . .	4,583,967 80	4,861,105 15	4,187,447 95	3,722,434 39	17,174,955 09
Interior, (Pensions and Indian Department,) . . . . .	2,805,756 94	1,018,518 11	957,906 66	722,253 83	5,539,235 59
War, . . . . .	2,886,449 37	2,354,265 39	2,174,091 76	2,032,434 45	9,947,990 87
Navy, . . . . .	2,886,760 51	2,809,619 76	2,571,176 47	2,642,052 85	10,891,639 50
Interest on Funded debt, (old,) . . . . .	128 98	....	64 58	81 88	270 89
Interest and Reimbursement of Domestic Debt, . . . . .	84 33	....	1,038 98	564 36	497 25
Redemption of 3 per cent Stock, . . . . .	7 88	1,993 13	....	....	1,939 95
Do. Stock of the Loan of 1842, . . . . .	....	187,100 60	30,395 60	....	167,495 60
Do. do. '43, . . . . .	300,000 00	2,172,163 50	268,000 00	623,100 00	4,294,863 50

Redemption of Stock of the Loan of 1846, . . . . .	3,000 00	....	174,800 00	65,300 00	68,200 00
Do do. '47, . . . . .	1,109,800 00	....	....	391,550 00	1,668,650 00
Do do. '47 and '48, . . . . .	500,000 00	....	....	....	....
Do do. '48, . . . . .	62,450 00	....	47,400 00	88,450 00	198,300 00
Premium on Red. Stock Loans of '49, '4, '7 and '8, . . . . .	16,743 99	....	....	....	16,743 99
Do do. '49, . . . . .	20,061 50	....	4,246 09	....	24,307 59
Do do. '49, . . . . .	5,674 88	....	350 88	379 87	6,005 68
Do do. '46, . . . . .	....	....	....	4,317 73	4,317 73
Do do. '47, . . . . .	202,518 85	....	90,578 99	71,271 15	294,358 99
Do do. '48, . . . . .	4,114 84	....	92,564 82	16,984 08	43,688 24
Do & Int. on Red. of Stock Loan of '48, . . . . .	17,832 67	....	....	....	17,832 67
Do do. '47, . . . . .	....	....	....	8,385 50	8,385 50
Do do. '48, . . . . .	....	....	....	2,203 64	2,203 64
Commission on do. do. '49, . . . . .	....	....	....	886 50	886 50
Do do. '49, . . . . .	252 50	....	....	....	252 50
Do do. '46, . . . . .	11 50	....	....	166 75	178 25
Do do. '47, . . . . .	....	....	....	1,315 74	1,315 74
Do do. '48, . . . . .	....	....	....	256 63	256 63
Redemption of Treasury Notes purchased, . . . . .	200 00	....	....	....	200 00
Interest on Treasury Notes, . . . . .	573 53	....	....	27 00	599 11
Do Public Debt created since 1841, . . . . .	1,904,478 94	....	15,964 86	1,750,353 19	3,664,634 85
Reimb. of Treasury Notes, prior to 32d July, '46, . . . . .	150 00	....	300 00	2,400 00	7,450 00
Do do. per Acts of '46 and '7, . . . . .	650 00	....	2,200 00	700 00	9,250 00
Trust Funds, Smithsonian Institution, . . . . .	17,508,943 88	....	10,888,269 51	12,745,318 68	54,043,163 21
Awards, . . . . .	....	....	17,073 38	....	17,938 88
Chickasaw Fund, . . . . .	7,431 65	....	9,951 65	32,407 61	354,371 83
Cherokee Schools, . . . . .	2,759 08	....	15,368 83	18,006 69	190,339 85
Navy Pension Fund, . . . . .	....	....	....	....	3,083 68
Navy Hospital Fund, . . . . .	8,311 01	....	6,900 00	5,000 00	30,507 24
	9,325 84	....	8,432 80	15,009 51	27,141 27
	17,536,099 41	....	10,384,074 59	12,316,243 69	54,206,635 45

The following circular indicates that a movement will soon be made in Congress to modify the Tariff:

TREASURY DEPARTMENT, *September 20, 1853.*

Sir:

The increasing revenue and accumulating amount of money in the treasury render it most probable that the tariff will be made a prominent subject of discussion and examination with a view to reduction, during the approaching session of Congress. In the mean time, and at as early a day as may be, I am desirous to obtain from the most reliable sources the best information of the working of the present rates of duty upon the leading branches of industry of the country, and of the effect to be expected from the proposed modifications.

Understanding that you take an interest in this subject, and have given some attention to it, and perhaps have been in situations to place within your reach very valuable information, you will much oblige me by communicating to this Department your views thereon, and by furnishing lists of articles now subject to duty, which, according to such views, should be duty free, and of such other articles on which the present duty should be reduced.

The existing tariff having been designed generally and substantially for revenue and for a fair and equal operation both or between the various sections of the country, and the various branches of industry, the same objects should undoubtedly be kept in view; and the reductions, if any shall be made, should be so arranged as to afford an equal participation in the benefit to every interest and to every section. Articles which enter into our manufactures and those which do not come into competition with American products, are those about which there will doubtless be the least question.

Besides these objects in the proposed reduction of the tariff of such an arrangement as will afford proportional benefit and relief to every portion and interest of the country, there is another which ought by no means to be disregarded; I mean, to abridge the labors of the custom houses. This object will be consulted by adding to the free list articles of general consumption, and articles paying little duty, which, but for this consideration, might properly be made subjects of revenue.

I am, very respectfully,

JAMES GUTHRIE,

*Secretary of the Treasury.*

The duties collected for the last fiscal year were \$58,931,865 52, against \$47,339,326 62 for 1851, '52; and \$49,017,567 92 for the fiscal year ending 30th June, 1851.

It will be seen by the annexed table, that two thirds of this large sum are collected at this port; Boston being the second port in regard to foreign imports; Philadelphia the third; New Orleans the fourth, and San Francisco the fifth.

At these five ports the duties collected during the past year, were above fifty-four millions of dollars.

*Table of Custom House Revenue collected at the leading ports of the United States, for the fiscal year ending 30th June, 1853.*

New York, . . . . .	\$38,989,841 58	St. Louis, . . . . .	\$294,790 78
Boston, . . . . .	7,208,048 53	Cincinnati, . . . . .	251,649 90
Philadelphia, . . . . .	4,587,046 16	New Haven, . . . . .	125,178 40
Baltimore, . . . . .	836,487 99	Mobile, . . . . .	109,981 47
New Orleans, . . . . .	3,623,421 32	Louisville, . . . . .	48,207 67
San Francisco, . . . . .	1,794,140 66	Oswego, . . . . .	123,667 27
Charleston, . . . . .	482,299 19	Richmond, . . . . .	73,992 93
Portland, . . . . .	350,849 22	Norfolk, . . . . .	81,255 51
Savannah, . . . . .	125,755 86	All other Districts, . . . . .	1,673,206 04
Amount of Customs received during the fiscal year, . . . . .		\$58,981,865 52	

## THE RESULTS OF WAR.

THE tendency of the London Money Market for some weeks past, is to a decline in the value of public securities. The mere idea, or suggestion, that war would or might follow the negotiations pending for some time past, has driven the price of Consols down to ninety-one, while their value a few months since, was two per cent. premium. The fall since May last, is fully ten per cent.

That this is a momentous period for governments and for capitalists, may be seen in the fact that such a great change for so short a time has occurred only at eight different periods of the present century. These periods were marked with extraordinary events, which disturbed Europe generally, or Great Britain especially. We refer to these dates, showing the price and the fall in English three per cent. Consols:

Year.	Decline from	Extent of Fall.
1802, . . . . .	79 to 60½ . . . . .	19½
1808, . . . . .	73 to 50½ . . . . .	22½
1814, . . . . .	72½ to 62 . . . . .	10½
1815, . . . . .	65½ to 58½ . . . . .	11½
1819, . . . . .	79 to 64½ . . . . .	14½
1825, . . . . .	94½ to 75 . . . . .	19½
1830, . . . . .	94½ to 77½ . . . . .	16½
1847, . . . . .	94 to 78½ . . . . .	15½

This latter change, brought about by the heavy export of coin consequent on the short crop of grain in Western Europe, and upon the enormous speculations of 1845 and 6, was more serious than that produced by the memorable events of the few years subsequent to 1810.

The fall in 1802-3, was the result of the troubles with Napoleon; and in 1814-15, the fall followed the *hundred days*, and the battle of Waterloo. In the year 1824, speculation was rife throughout Great Britain, and the stringency which followed in 1825 affected all public securities severely. The failures of upwards of seventy provincial banks added to the distress of that period. The French Revolution of 1830 also brought

about a great change in the Money Market, and stocks for a short period declined largely, until the French question became settled.

The fall in 1847 was greater than had been known during the prior eighteen years—exceeding that which followed the declaration of war by the French Convention, the first Bank suspension, (1797,) and the Irish Rebellion of 1798.

Notwithstanding the abundance of money in the year 1850, English Consols in October of that year, were as low as 92½ to 93¼. The financial position of Great Britain is far more favorable now than at any period of the present century. The increased population and diminished taxation of that nation are shown in the annexed summary :

*Population and Annual Revenue of Great Britain and Ireland, 1811—45 :*

Year.	Population.	Taxation.	Year.	Population.	Taxation.
1811, . . .	18,547,000	£64,843,000	1841, . . .	26,395,000	£47,650,000
1812, . . .	18,812,000	63,179,000	1842, . . .	27,181,000	45,978,000
1813, . . .	19,070,000	67,189,000	1843, . . .	27,468,000	50,394,000
1814, . . .	19,881,000	70,108,000	1844, . . .	27,754,000	53,069,000
1815, . . .	19,606,000	71,372,000	1845, . . .	23,041,000	51,496,000

The total amount of debt borne by the fifty-eight European States has been shown to be 1,753,278,127 pounds sterling, of which the eight republics sustained three twentieths, and the monarchies the remaining seventeen twentieths.

The *London Athenæum* states, that every geographical square mile in Europe is burdened with an average of nearly ten pounds sterling of the public debt. Hamburg sustained the maximum of debt in proportion to its area, and Prussia and Turkey the minimum. And in proportion to the population of Europe, an average of £6 15s. per head was indicated in this case, the Netherlands sustaining the maximum and Prussia the minimum. The revenues of the European States yield a total of £207,301,752, of which £53,386,293 is derived from the republics, and £153,915,459, or three fourths, from the monarchies, Spain holding the worst position as regards the amount of revenue opposed to the national debt, the interest on which, at five per cent., would consume the whole revenue, whilst Prussia requires only a fourteenth of its revenue to be so applied. It is not the amount of debt that undermines the State's credit, but the want of natural resources to cover the required interest.

---

A BIG LUMP.—We have seen a lump of gold taken from near the source of Nelson's Creek, last month, by Messrs. Smith and Sultz. It weighs one hundred and eight ounces and a quarter, or a little over nine pounds, troy weight. The gold is intermixed with quartz of different colors—black, white and ferruginous, of various shades, but they could discover nothing but quartz besides gold. The general outline of the lump, in one position, resembled that of an ox's heart. It is six and a half inches in length, five and a half inches in breadth, and three inches thick. It was about fifty feet above the surface of the river, on the granite rock which forms the hill, and covered only by a little earth and dry leaves.—*Marysville (Calif.) Herald*.

## NEW YORK CITY BANKS.

The condition of the New York City Banks during the last four years, is shown as follows, including items of loans, specie, circulation and deposits :

	<i>Loans.</i>	<i>Specie.</i>	<i>Circulation.</i>	<i>Deposits.</i>
Sept., 1849, . . . . .	\$51,079,290	\$8,022,250	\$5,990,100	\$93,551,092
Sept., 1850, . . . . .	62,886,522	9,056,185	6,695,010	87,280,890
Sept., 1851, . . . . .	65,426,358	6,082,468	7,876,114	86,957,870
Sept., 1852, . . . . .	88,815,464	8,702,895	8,678,664	50,916,410
Feb. 26, '53, . . . . .	95,274,876	8,991,630	9,274,095	57,556,507
June 11, '53, . . . . .	95,520,656	12,174,509	9,064,106	59,078,171
Aug. 6, '53, . . . . .	97,899,617	9,746,459	9,510,465	60,994,568
Aug. 13, '53, . . . . .	95,562,277	10,654,618	9,451,945	58,166,713
Aug. 20, '53, . . . . .	93,866,970	11,092,552	9,414,696	57,817,218
Aug. 27, '53, . . . . .	92,886,954	11,819,049	9,427,191	57,481,806
Sept. 3, '53, . . . . .	91,741,383	11,268,049	9,554,294	57,502,970
Sept. 10, '53, . . . . .	91,108,347	11,380,693	9,597,886	57,545,164
Sept. 17, '53, . . . . .	90,190,589	11,860,235	9,566,723	57,612,301
Sept. 24, '53, . . . . .	90,092,765	11,340,925	9,477,541	59,312,334
Oct. 1, '53, . . . . .	90,149,540	11,331,912	9,521,665	57,968,661
Oct. 8, '53, . . . . .	89,123,998	10,266,603	9,673,458	57,985,760
Oct. 15, '53, . . . . .	87,887,373	11,330,173	9,464,714	59,068,674
Oct. 22, '53, . . . . .	85,367,931	11,303,254	9,388,543	55,748,729
Oct. 29, '53, . . . . .	83,400,321	10,566,673	9,300,350	58,235,463

The coin on hand in the banks and in the New York sub-treasury, at different periods of the present year, was as follows :

1853.	<i>Sub-Treasury.</i>	<i>Banks.</i>	<i>Total.</i>
Feb. 26, . . . . .	\$5,279,000	\$3,991,000	\$14,270,000
June 11, . . . . .	7,546,000	12,174,000	19,790,000
August 6, . . . . .	8,406,000	9,746,000	19,152,000
“ 13, . . . . .	8,550,000	10,654,000	19,204,000
“ 20, . . . . .	8,401,000	11,092,000	19,493,000
“ 27, . . . . .	8,991,000	11,819,000	20,810,000
Sept'r 3, . . . . .	9,079,000	11,268,000	20,347,000
“ 10, . . . . .	8,907,000	11,330,000	20,237,000
“ 17, . . . . .	9,825,000	11,860,200	21,685,200
“ 24, . . . . .	10,180,800	11,340,900	21,520,900
Oct'r 1, . . . . .	9,726,400	11,281,900	20,958,300
“ 8, . . . . .	9,399,400	10,366,600	19,666,000
“ 15, . . . . .	8,562,200	11,330,100	19,892,300
“ 22, . . . . .	8,124,000	10,303,200	18,427,200
“ 29, . . . . .	7,624,200	10,566,600	18,490,800

The reduction in loans and in the individual deposits for the past week, is greater than during any one week since the first publication of the weekly reports. It is conceded by all, that money has not been so scarce for many years, as it was throughout the last week.

The shipment of nearly two millions in coin from this port last week, added to large drafts from the West and from other portions of the interior, upon existing balances on deposit in this city, have compelled the banks to curtail their operations considerably. This curtailment will go on further for a short period, until the banks shall be better fortified with specie funds.



## Condition of the Banks of the City of New York, October 22, 1853.

BANKS.	Capital.	Loans.	Specie.	Circula'n.	Deposits.
American Exchange Bank, . . . . .	\$2,000,000	\$4,215,582	\$586,776	\$347,858	\$4,446,150
Atlantic Bank, . . . . .	826,200	409,449	21,951	49,606	190,319
Bank of America, . . . . .	2,000,000	8,982,829	891,700	165,228	2,161,889
Bank of Commerce, . . . . .	5,000,000	7,868,008	713,067	3,100	8,061,220
Bank of the Commonwealth, . . . . .	750,000	941,774	166,847	22,167	502,204
Bank of New York, . . . . .	1,500,000	2,652,751	561,008	281,804	2,429,716
Bank of North America, . . . . .	1,000,000	1,552,660	146,749	88,277	1,249,730
Bank of the State of New York, . . . . .	2,000,000	4,007,084	280,948	615,065	2,516,560
Bank of the Union, . . . . .	800,000	229,100	27,553	106,936	130,383
Bank of the Republic, . . . . .	1,500,000	2,918,764	221,990	184,674	1,832,411
Bowery Bank, . . . . .	856,650	1,170,782	22,638	208,817	668,244
Broadway Bank, . . . . .	600,000	1,159,141	59,290	216,201	960,951
Butchers and Drovers' Bank, . . . . .	600,000	1,608,025	81,484	16,762	942,960
Central Bank, . . . . .	300,000	860,217	20,122	96,098	179,046
Chatham Bank, . . . . .	450,000	677,257	26,649	138,819	411,461
Chemical Bank, . . . . .	300,000	1,871,144	242,863	333,242	1,048,610
Citizens' Bank, . . . . .	850,000	626,762	68,584	159,598	617,050
City Bank, . . . . .	1,000,000	1,714,940	94,880	121,969	1,201,886
Continental Bank, . . . . .	1,500,000	2,681,259	217,527	75,420	1,567,240
Corn Exchange Bank, . . . . .	582,760	788,882	90,065	84,057	577,166
East River Bank, . . . . .	418,050	657,821	70,991	412,180	415,244
Empire City Bank, . . . . .	362,462	868,865	65,183	106,130	872,423
Fulton Bank, . . . . .	600,000	1,626,954	267,586	198,664	920,887
Greenwich Bank, . . . . .	300,000	588,229	33,687	194,293	393,118
Grocers' Bank, . . . . .	300,000	628,609	48,383	94,006	482,247
Hanover Bank, . . . . .	1,000,000	1,080,887	84,225	158,168	467,617
Irving Bank, . . . . .	300,000	545,619	35,912	125,091	426,696
Island City Bank, . . . . .	300,000	176,591	81,111	72,756	102,854
Knickerbocker Bank, . . . . .	400,000	548,370	33,777	90,619	352,883
Leather Manufacturers' Bank, . . . . .	600,000	1,972,932	199,172	283,560	987,707
Manhattan Bank, . . . . .	2,050,000	3,696,614	544,518	878,457	2,130,601
Marine Bank, . . . . .	500,000	610,014	56,805	93,891	429,498
Market Bank, . . . . .	650,000	1,022,357	68,434	110,000	630,105
Mechanics' Bank, . . . . .	1,440,000	3,924,227	605,076	332,190	2,563,663
Mechanics' Banking Association, . . . . .	632,000	1,111,671	78,779	283,573	742,442
Mechanics and Traders' Bank, . . . . .	200,000	553,545	68,229	130,958	429,708
Mercantile Bank, . . . . .	600,000	1,564,586	136,522	120,725	769,920
Merchants' Bank, . . . . .	1,490,000	3,816,461	1,340,898	301,430	8,157,153
Merchants' Exchange Bank, . . . . .	1,235,000	2,458,081	149,168	172,799	1,118,675
Metropolitan Bank, . . . . .	2,000,000	2,984,671	390,621	79,116	1,662,228
National Bank, . . . . .	750,000	1,413,878	250,658	185,130	866,452
Nassau Bank, . . . . .	500,000	897,566	92,756	105,628	790,567
North River Bank, . . . . .	655,000	1,154,275	53,066	291,526	823,066
New York Dry Dock Bank, . . . . .	300,000	871,119	35,469	146,172	88,648
New York Exchange Bank, . . . . .	180,000	199,808	18,723	117,766	92,949
Ocean Bank, . . . . .	1,000,000	1,407,120	68,496	137,515	831,066
Oriental Bank, . . . . .	800,000	371,017	36,879	94,157	157,473
Pacific Bank, . . . . .	422,700	520,752	48,611	110,855	523,577
People's Bank, . . . . .	412,500	779,816	60,878	158,140	517,284
Phoenix Bank, . . . . .	1,200,000	2,209,176	220,224	255,008	1,208,401
Seventh Ward Bank, . . . . .	500,000	1,089,222	152,783	247,916	613,931
Shoe and Leather Bank, . . . . .	600,000	827,962	33,194	120,106	473,081
St Nicholas Bank, . . . . .	500,000	561,125	39,152	82,683	325,031
Suffolk Bank, . . . . .	250,000	273,645	2,610	82,730	82,923
Tradesmen's Bank, . . . . .	400,000	1,295,516	94,658	259,005	706,935
Union Bank, . . . . .	1,000,000	2,298,400	373,250	301,567	2,115,404
<b>Totals, . . . . .</b>	<b>\$46,443,342</b>	<b>85,267,981</b>	<b>10,308,254</b>	<b>9,358,548</b>	<b>55,743,729</b>

The proportion of coin held by each bank for the week ending October 22d, as compared with its aggregate circulation and deposits, was as follows :

	<i>Per Cent.</i>		<i>Per Cent.</i>
American Exchange Bank, . . . . .	11.20	Knickerbocker Bank, . . . . .	7.63
Atlantic Bank, . . . . .	9.14	Leather Manufacturers' Bank, . . . . .	15.67
Bank of America, . . . . .	37.67	Manhattan Bank, . . . . .	21.74
Bank of Commerce, . . . . .	23.27	Marine Bank, . . . . .	10.76
Bank of the Commonwealth, . . . . .	27.16	Market Bank, . . . . .	8.57
Bank of New York, . . . . .	20.69	Mechanics' Bank, . . . . .	20.10
Bank of North America, . . . . .	10.96	Mechanics' Banking Association, . . . . .	7.19
Bank of the State of New York, . . . . .	8.97	Mechanics and Traders' Bank, . . . . .	12.18
Bank of the Union, . . . . .	11.75	Mercantile Bank, . . . . .	15.34
Bank of the Republic, . . . . .	11.28	Merchants' Bank, . . . . .	33.42
Bowery Bank, . . . . .	2.11	Merchants' Exchange Bank, . . . . .	11.61
Broadway Bank, . . . . .	5.17	Metropolitan Bank, . . . . .	18.20
Butchers and Drovers' Bank, . . . . .	8.50	National Bank, . . . . .	22.85
Central Bank, . . . . .	7.34	Nassau Bank, . . . . .	10.35
Chatham Bank, . . . . .	4.84	North River Bank, . . . . .	5.19
Chemical Bank, . . . . .	17.66	New York Dry Dock Bank, . . . . .	15.15
Citizens' Bank, . . . . .	10.18	New York Exchange Bank, . . . . .	6.52
City Bank, . . . . .	7.17	Ocean Bank, . . . . .	6.26
Continental Bank, . . . . .	18.25	Oriental Bank, . . . . .	14.70
Corn Exchange Bank, . . . . .	18.62	Pacific Bank, . . . . .	6.38
East River Bank, . . . . .	18.47	People's Bank, . . . . .	9.00
Empire City Bank, . . . . .	18.63	Phenix Bank, . . . . .	15.10
Fulton Bank, . . . . .	24.04	Seventh Ward Bank, . . . . .	17.70
Greenwich Bank, . . . . .	5.63	Shoe and Leather Bank, . . . . .	5.60
Grocers' Bank, . . . . .	8.39	St. Nicholas Bank, . . . . .	9.61
Hanover Bank, . . . . .	13.46	Suffolk Bank, . . . . .	5.33
Irving Bank, . . . . .	6.53	Tradesmen's Bank, . . . . .	9.22
Island City Bank, . . . . .	17.77	Union Bank, . . . . .	15.64

There is a slight discrepancy in the quarterly and monthly statements for the 17th September, arising from the fact that the American Exchange Bank, and one or two others, include their bank balances as "deposits." This shows a larger amount, apparently, on deposit, than actually exists, the difference being above three millions of dollars. The two statements will show as follows, for the 17th ult. :

	<i>Loans.</i>	<i>Specie.</i>	<i>Circulation.</i>	<i>Deposits.</i>
Weekly, . . . . .	\$90,190,599	\$11,860,285	\$9,566,728	\$57,612,301
Quarterly, . . . . .	89,715,328	11,656,834	9,405,495	54,464,409

The difference in the item of circulation is owing to the omission of one or more of the newly organized banks, to report their old circulation in the weekly statement.

In order to show the rapidity with which the business of New York has increased, we publish the annexed summary of the resources and liabilities of the city banks for September, 1851, February and September, 1853. It will be seen that since September, 1851, the aggregate has increased nearly fifty per cent., the loans increasing in nearly that ratio,

while the capital has increased about twenty-two per cent., and the specie is also much larger.

LIABILITIES.		Sept., 1851.	Feb. 26, 1853.	Sept. 17, 1853.
Capital, . . . . .		\$24,608,100	\$41,058,800	\$45,515,268
Profits, . . . . .		5,246,646	4,899,590	5,646,863
Circulation, old, . . . . .		272,680	920,991	928,126
Circulation, registered, . . . . .		7,106,284	8,838,084	8,477,369
Due Treasury of New York, . . . . .		221,840	211,577	108,450
Individual Deposits, . . . . .		36,640,617	57,556,507	54,464,409
Due Banks, . . . . .		10,777,040	23,208,423	19,134,008
Miscellaneous, . . . . .		558,600	1,425,295	1,081,922
<b>Totals, . . . . .</b>		<b>\$95,526,177</b>	<b>\$186,569,007</b>	<b>\$185,261,449</b>
ASSETS.		1851.	1853.	1853.
Loans, . . . . .		\$59,910,253	\$65,797,746	\$61,767,228
Loans to Directors, . . . . .		4,208,951	4,204,064	4,826,959
Loans to Brokers, . . . . .		1,812,150	5,273,066	3,121,650
Real Estate, . . . . .		2,397,980	3,060,581	2,484,351
Stocks, Bonds, &c., . . . . .		5,090,158	6,655,730	7,207,492
Loss and expense, . . . . .		392,327	274,892	861,417
Overdrafts, . . . . .		42,040	50,744	90,191
Specie, . . . . .		6,082,468	8,991,680	11,656,884
Cash Items, . . . . .		10,900,185	15,280,474	15,438,274
Bank Notes, . . . . .		1,070,354	1,744,960	1,690,471
Bank balances, . . . . .		4,174,367	6,215,120	5,616,532
<b>Totals, . . . . .</b>		<b>\$95,526,177</b>	<b>\$186,569,007</b>	<b>\$185,261,449</b>

## GREAT BRITAIN.

STATEMENTS have recently been completed, showing the total expenditure incurred by Great Britain on account of her colonies for each year, from 1848 to 1851, inclusive, the period to which they are annually made up being to the 31st of March. From this it appears that the reduction effected during the four years in question, was £889,784, the outlay in the year ending March, 1851, having been £2,914,354, against £3,804,138 in 1848. Of this diminution, £540,442 has occurred at the military and maritime stations, such as Gibraltar, &c., the average reduction in those cases being equal to about 30 per cent.; £328,630 has occurred in the colonies proper, such as the West Indies, Canada, Australia, &c., being equal to an average of about 20 per cent.; and £20,711 has occurred at the penal settlements, being an average of about 5½ per cent. The subjoined list exhibits the specific annual charge in each instance, and it is to be regretted that there are no materials for bringing it down to a later period, the figures which it includes being the latest the Government are able to furnish, a circumstance that impairs its immediate practical value. Extensive as are the colonial possessions of England, there seems no reason for requiring two years for making up such an account as the present, under a uniform system, and if the expenditure, instead of being a public affair, were that of a mercantile body or a private company, a shorter interval would probably be found sufficient.

## COLONIAL POSSESSIONS.

*Total Expenditure Incurred by Great Britain.*

<i>Military and Maritime Stations.</i>	1847-48.	1848-49.	1849-50.	1850-51.
Gibraltar, . . . . .	£208,118	£217,841	£210,740	£191,946
Malta, . . . . .	178,947	183,54	169,889	151,009
Cape of Good Hope, . . . . .	769,601	478,797	291,459	875,743
Mauritius, . . . . .	129,516	114,598	116,807	108,806
Bermuda, . . . . .	115,870	180,287	128,075	117,986
Falkland Islands, . . . . .	5,704	7,056	60,895	43,848
Ascension, . . . . .	8,565	2,270	1,486	1,990
Heligoland, . . . . .	822	1,184	948	975
Ionian Islands, . . . . .	119,929	145,918	188,042	180,246
St. Helena, . . . . .	69,862	78,400	2,462	6,781
Hongkong, . . . . .	185,185	197,842	182,270	107,485
<i>Plantations and Settlements.</i>				
Jamaica, . . . . .	147,839	158,589	155,981	153,446
Bahamas, . . . . .	37,438	26,729	22,958	23,376
Honduras, . . . . .	12,755	19,575	16,006	15,099
Barbadoes, . . . . .	857,955	872,842	839,797	848,229
Grenada, . . . . .				
St. Vincent, . . . . .				
Tobago, . . . . .				
Antigua, . . . . .				
Montserrat, . . . . .				
St. Christophers, . . . . .				
Nevis, . . . . .				
Anguilla, . . . . .				
Virgin Islands, . . . . .				
Dominica, . . . . .	71,922	76,378	62,610	73,046
St. Lucia, . . . . .				
Trinidad, . . . . .				
British Guiana, . . . . .				
Canada, . . . . .	498,817	435,768	360,364	322,298
Nova Scotia, . . . . .	165,749	161,961	144,716	182,590
New Brunswick, . . . . .	8,761	15,280	11,984	12,615
Prince Edward's Island, . . . . .	4,857	4,508	8,689	8,245
Newfoundland, . . . . .	48,967	38,248	31,069	30,011
Sierra Leone, . . . . .	71,922	76,378	62,610	73,046
Gambia, . . . . .				
Cape Coast, . . . . .	93,575	90,882	91,616	99,168
Ceylon, . . . . .				
Western Australia, . . . . .	18,764	15,671	8,905	8,282
Southern Australia, . . . . .	5,378	4,821	....	100
Northern Australia, . . . . .	5,686	....	150,241	96,796
New Zealand, . . . . .	183,602	195,810	....	....
Labuan, . . . . .	605	9,865	8,221	9,620
<i>Penal Settlements.</i>				
New South Wales, . . . . .	....	....	56,184	48,799
Van Diemen's Land, . . . . .	319,232	277,779	224,444	191,859
West Australia, . . . . .	....	....	18,920	88,516
General Charges, . . . . .	46,869	28,941	84,254	66,715
	£23,904,188	£23,480,345	£23,979,826	£22,914,354

NOTE.—The additions in the above table will not be found precisely accurate, the shillings and pence having been omitted from each item, but included in the general totals.

## BILLS OF EXCHANGE.

## COMMUNICATED.

The determination of *first principles* is essential to the investigation of every subject. The position you assume that *bills of exchange are money*, is essential, and must be accepted or rejected before we can proceed. If they are money, then we have an important addition to our subject, which must receive its proper attention.

We are aware that in the discussion of the subject in England in former years, the position you take was adopted to some extent, and it is adopted by Mr. E. Peshine Smith, in his late work on Political Economy; but we believe it is not general, and feel confident that at present there is little authority for the position, which involves the subject in inextricable difficulties; for if bills of exchange are money, then *its quantity*, which is its essential quality, can never be determined: it has escaped from all our knowledge, and all control of law, and its investigation may be abandoned in despair.

It is true that bank credits, whether circulation or deposits, are, like bills of exchange, the mere evidence of debt, yet the latter do not, like the former, pass freely as money; they are no more money than notes of hand, public or corporate stocks, bonds and mortgages or book accounts; these all may perform a function of money, the transfer of wealth, but only by a specific arrangement that they be taken as a *substitute* for money. In the same way, any form of wealth may perform this function of money, but none of them are competent to the performance of its more important function, *the measure of value*.

Our position on the other hand is, that money is that specific thing, either capital, gold, or bank credit, which by law or custom determines the value of all *other* things, and transfers them without further negotiation from hand to hand; which is the rule of all existing credit, and the only legal means of its extinction. It is obvious that *quantity* is its most important characteristic, for it is by the relation which exists between the quantity of money in all, and the quantity of commodities to be exchanged or credits to be extinguished, that it becomes a measure; but if bills of exchange are money, then we have only to multiply them at pleasure to obviate any difficulty which a scarcity of money may create, or in other words, money can never be scarce while we can draw bills of exchange.

It seems hardly necessary to pursue the subject farther, for the position is so contrary to all our experience, that it must, we think, be abandoned.

## REMARKS.

Our remarks in reference to "Bills of Exchange," as a circulating medium, applied more particularly to this branch of currency as existing in Great Britain and throughout other commercial portions of Europe. In this country, where bank paper is manufactured more readily, and in some States without limit, and enters so fully and so generally into circulation as a medium of payment, bills of exchange are not so freely adopted for a currency as they are in Europe. But yet it will not be denied by practical bankers and business men that bills of exchange form a very large part of the *actual circulation* of the country. We include, under this head, bank drafts and bankers' sight and time bills, as well as ordinary commercial bills. That all these do in fact enter largely into circulation may be seen throughout the South and the West. Imagine for once that such paper could not be created, or that it should be illegal, how much more *bank paper* would be required to accomplish the ends now performed by bills of exchange?

Instead of 150 or 200 millions of bank notes as at present in circula-

tion among the several States, three times that sum would be demanded for the purposes of internal commerce.

From testimony furnished by Mr. Lewis Loyd, of the firm of Jones, Loyd & Co., London, it appears that the circulation of Manchester (England) consists of nine parts bills of exchange, and the *tenth* part gold and Bank of England notes. Other bankers who were consulted on the subject, (vide *Bankers' Magazine*, New York, 1851,) thought the proportion was still larger—say twenty to one, or even fifty to one. Mr. Loyd stated that he had seen bills of £10 with one hundred and twenty endorsements upon them.

Mr. Leatham, an old banker near London, examined this subject critically, and by means of official returns, obtained by the aid of Lord Morpeth, published an estimate of the amount of bills of exchange in circulation in Great Britain and Ireland at one period. The stamps indicated the following amount for each year:

	Great Britain.	Irish.	Foreign, &c.	Total.
1815, . . . . .	£477,493,000	£78,582,000	£92,845,000	£649,920,000
1824, . . . . .	232,429,000	88,788,000	45,193,000	316,362,000
1825, . . . . .	260,879,000	43,896,000	50,680,000	354,405,000
1826, . . . . .	207,847,000	84,557,000	40,818,000	282,222,000
1835, . . . . .	294,775,000	51,109,000	59,519,000	405,403,000
1836, . . . . .	835,239,000	59,155,000	71,499,000	485,948,000
1837, . . . . .	838,268,000	54,180,000	67,686,000	455,084,000
1838, . . . . .	841,947,000	54,860,000	69,197,000	465,504,000
1839, . . . . .	894,208,000	55,615,000	78,675,000	528,498,000

It was also ascertained that the average time of circulation of the bills was three months. Divide the above sums by four, it will show the actual circulation at any one period. Thus the aggregate for the year 1839 was £528,493,000, and one fourth of that sum was the probable amount in actual circulation at any one time of the year—say £132,123,250, or about six hundred and fifty millions of dollars.

According to official statements recently issued, it seems that the actual bank note circulation in Great Britain and Ireland, (in which we include that of the Bank of England,) is less than forty millions of pounds sterling, or less than one third of the circulation of bills of exchange in that country *fourteen years since*.

Mr. Gladstone, M. P., in his evidence on the subject, observed:

"If I sell a thousand pounds' worth of goods to a wholesale grocer, or any other person, who again distributes them to his customers in the country, when he comes to pay me the £1,000, he will do so in bills, running from £10 upwards; the whole being paid in some twenty or thirty bills of exchange drawn on London, generally at two and sometimes three months' date."

The same remarks will apply to large portions of France, Germany and other countries; and we still think that, even in the United States, bills of exchange form a large portion of the actual currency of the country, and serve as a medium of payment by and between second and third parties, and even further, to a great extent.



## BANK STATISTICS.

*Bank of the Old Dominion, Alexandria, Virginia.*

RESOURCES.	Jan., 1852.	Sep., 1852.	Dec., 1852.	Sep., 1853.
Capital, . . . . .	\$219,700	\$292,000	\$318,900	\$377,800
Circulation, . . . . .	97,830	206,847	255,650	318,672
Individual deposits, . . . . .	61,000	88,252	88,260	137,175
Bank balances, . . . . .	12,898	23,300	43,180	27,935
Miscellaneous, . . . . .	7,265	28,462	22,256	13,029
Total liabilities, . . . . .	\$398,693	\$623,861	\$728,246	\$874,614
RESOURCES.	Jan., 1852.	Sep., 1852.	Dec., 1852.	Sep., 1853.
Loans, . . . . .	\$147,697	\$252,702	\$293,664	\$382,680
State bonds, . . . . .	203,800	222,800	274,180	352,540
Specie on hand, . . . . .	20,047	42,564	52,445	64,207
Bank balances, . . . . .	3,836	40,840	43,123	28,487
Notes of other banks, . . . . .	16,618	28,631	27,414	20,548
Miscellaneous, . . . . .	7,200	46,324	27,420	25,852
Total resources, . . . . .	\$398,693	\$623,861	\$728,246	\$874,614

*Bank of Virginia and Branches.*

LIABILITIES.	Oct., 1846.	Oct., 1847.	April, 1850.	Oct., 1852.	Oct. 1, 1853.
Capital, . . . . .	\$2,550,870	\$2,550,870	\$2,550,870	\$2,580,900	\$2,631,200
Circulation, . . . . .	2,000,145	2,292,393	2,069,363	2,096,288	2,207,113
Individual deposits, . . . . .	940,022	1,068,100	1,390,963	1,164,328	1,786,947
Contingent fund, . . . . .	83,053	130,314	214,228	228,617	191,455
Profits, . . . . .	58,266	66,465	66,743	70,333	82,106
Bank balances, . . . . .	168,380	106,837	154,283	266,330	240,717
In transitu, . . . . .	3,804	27,586	7,926	5,564	....
Total, . . . . .	\$5,819,540	\$6,242,065	\$6,454,346	\$6,412,370	\$7,139,638
RESOURCES.	Oct., 1846.	Oct., 1847.	April, 1850.	Oct., 1852.	Oct. 1, 1853.
Loans, . . . . .	\$4,303,913	\$4,545,664	\$4,582,238	\$4,857,802	\$5,425,375
Sterling bills, . . . . .	43,726	16,385	19,147	360	6,055
Stocks, . . . . .	154,140	153,140	143,044	138,244	133,863
Specie, . . . . .	763,225	830,818	815,642	779,207	823,890
Bank balances, . . . . .	344,166	445,944	634,147	383,806	545,788
Real Estate, . . . . .	206,370	196,317	170,018	169,634	174,663
Defalcation at Lynchburg, . . . . .	....	53,797	90,110	14,481	....
Robbery at Portsmouth, . . . . .	....	....	....	68,886	18,900
Intransitu, . . . . .	....	....	....	....	21,667
Total, . . . . .	\$5,819,540	\$6,242,065	\$6,454,346	\$6,412,370	\$7,139,638

## THE NEW SUPPLIES OF GOLD.

BY W. NEWMARCH, Esq.

*Contributed to the London Morning Chronicle, July, 1853.*

PART SECOND. (Continued from Oct. No., p. 343.)

**I. INFERENCES FROM THE FACTS NOW BROUGHT FORWARD.**—1. *Preliminary observations.*—2. *Impressions generally entertained relative to the effects of the new Gold.*—3. *Extent to which the new gold has, in Great Britain, been added to the circulation.*—4. *Increased requirements for Coin and Bank Notes.*—5. *The same inquiry as regards France and the United States.*—6. *Operation of the new supplies on the rate of discount.*—7. *Effects of a reduced rate of discount.*—8. *Influences which may permanently raise prices.*

**II. SPECULATIVE QUESTIONS RELATING TO THE FUTURE PROBABLE EFFECTS OF THE NEW GOLD.**—1. *Statement of some of these questions.*—2. *Effect of increased demand upon production and prices.*—3. *Influence on debtor and creditor contracts, and on fixed incomes.*—4. *Necessary qualifications of the inquiry.*—5. *Effects as regards the amount of capital required.*—6. *Effect on the value of land and securities.*

**III.—CONCLUSIONS.****I.—INFERENCES FROM THE FACTS NOW BROUGHT FORWARD.****(1.) Preliminary Observations.**

We have now arrived at the termination of the first and most important part of our inquiry, namely, the collection of facts calculated to exhibit the effects already produced by the new supplies of gold. The discussion may have seemed lengthy and tedious, and we will not presume to say that the reader might not have been conducted, by a livelier path and a shorter journey, to results even more striking than any we have ventured to introduce. It may be reasonably doubted, however, whether, for the purpose we have in view, it may not rather be said that we have failed to produce sufficient evidence. The field is wide—the subject is intricate—its ramifications are various and subtle—and the fresh events of every day to some extent modify or invalidate conclusions which seemed true the day before. It is an inquiry in which we can only hope to avoid serious error by fortifying our inferences with the largest possible number of independent observations. And beyond the danger of resting satisfied with an insufficient basis of facts, there is the danger arising from the facility with which speculation takes the place of inference. The temptation is strong and constant to raise, upon an imperfect knowledge of what has really happened, ingenious and plausible theories of what is likely to occur; and there have been instances already of the confusion and error arising from this inversion of the order of inquiry. For ourselves, we shall be quite content if we succeed to some extent in applying to the large and vital questions connected with the new supplies of gold, a method of investigation, not perhaps so attractive as might be desired, but at all events in unison with those rules of philosophy which enjoin upon us the necessity of patient and thorough observation before we resort to abstraction and generalization. Former schools of political



economy gave undue and mischievous encouragement to displays of ingenuity and argumentative acuteness. Truth was practically at the mercy of the boldest and readiest debater; and for a time it seemed to be forgotten that the phenomena of society cannot, any more than the properties of a physical substance, be discovered by refinements of disputation. We now pursue a more satisfactory method; and there is no presumption in saying that we are both richer and happier, because, in our economical theories and reform, we proceed very little on speculation, and very much on fact.

(2.) *Impressions generally entertained relative to the effects of new Gold.*

In desisting from the further collection of evidence, and entering upon that part of our plan which leads us to consider opinions and speculations, it will be convenient, in the first instance, to frame a statement of the views which are generally entertained with reference to the new supplies of gold. We apprehend that, in effect, those views are as follows:

It is believed that there is already a depreciation of gold as compared with silver—or, in other words, that the gold price of the ounce, for example, of standard silver, has more or less risen; and in support of this view, the state of the bullion market in Paris in 1850 and 1851 is referred to. It is believed, also, that the new supplies of gold have already begun to raise wages, and also the prices of many kinds of commodities, and particularly that they have produced a marked effect in depressing the rate of discount. It seems, also, to be very generally supposed, that these effects have been produced in consequence of some depreciation of the circulating medium, brought about in consequence of the new supplies of gold. It is not easy to reduce the impression which prevails on this part of the case into a specific statement, without appearing to exaggerate it. In substance, however, it seems to be supposed that, comparing the amount of the new supplies of gold with the amount of coin and bank notes known or assumed to be in circulation five years ago—and taking for granted that all the new gold has been converted into coin—the addition to the previous volume of circulation has been so great as of necessity to raise prices and wages, and lower the rate of discount.

Now, comparing the views expressed in this outline with the facts of the case, as they have been ascertained in the previous portions of this paper, we arrive at the following results:

First, as regards the price of silver, we have seen (Table XIII.) that it is exceedingly doubtful whether, up to the present time, the market price of silver as measured in gold, can be said to have risen at all. The phenomena of the bullion market of Paris in 1850–51, are accounted for by purely local causes.

Next, as regards the prices of commodities, we have also seen (Table XVIII.) that the assumption of a recent rise, not to be accounted for by considerations of supply and demand, is unsupported by any evidence of a conclusive character. We admit, however, that in some directions there does appear to be a rise in prices, traceable indirectly to the effects of the new gold.

And we conceive that this statement may be applied to wages with far less hesitation than to prices; and to that extent, therefore, the evidence of facts confirms the popular view.

As regards the fall in the rate of discount, also, it is true that the occurrence and duration of the depression corresponded generally with the increase in the amount of the bank reserves. We have seen, however, that even on that point it would be rash to infer that the sole cause of the low rate of discount was the unusual height of the bank treasure.

There remains only the notion that these effects on prices and wages and the rate of discount have taken place in consequence of the quantity of the circulation being increased by the new gold.

A notion of this kind raises two questions: one of fact, and one of general reasoning. In the first place, is it true, according to the evidence before us, that the whole, or nearly the whole, of the new gold has been converted into coin, and has increased by its amount the previous volume of circulation? And, in the next place, what is the mode in which, under the present banking system of this country, an increase in the quantity of gold is likely to operate on the rate of discount?

We will take these questions in their order.

(3.) *Extent to which the new Gold has in Great Britain been added to the circulation.—Increased requirements for Coin and Bank Notes.*

It appears (Tables IX. to XII.) that while fifty-six millions sterling of new gold was produced during the five years ended with 1852, as much as sixty-five millions was converted into coin in England, France and the United States; and, adopting the corrections which have been applied to those four tables, there is good reason to believe that, with the exception of six millions sterling, the whole of the new gold has been converted into coin in this and the other two countries mentioned. Further, it appears (Table XV.) that the circulation of bank notes (including in that term the notes of the Bank of England and of private and joint-stock banks) has increased in England and Wales since January, 1852, by about four millions sterling—and that the circulation of bank notes in France has increased since the end of 1850 by about five millions sterling. The popular notion, therefore, which attributes the assumed increase of prices and wages, and the formerly diminished rate of discount, to the action of a greatly expanded circulation of coin and bank notes, is not destitute of some support from facts.

It is necessary, however, to apply corrections. The simple circumstance of the circulation of a country being increased, does not necessarily imply a depreciation of that circulation compared with commodities, labor and the rate of discount. The occasions on which, and the extent to which the intervention of a circulating medium is required, may be increased. Increase of quantity may indicate, not the existence of two coins or two bank notes for the satisfaction of requirements previously supplied with one, but such an expansion or deepening of the channels which a circulating medium is needed to fill, as renders it necessary, for the maintenance of existing facilities, that two coins or two bank notes should be employed.

In this country, in the space of five years, twenty millions sterling of new gold coins have issued from the mint; and during the last year and a half the quantity of outstanding bank and bankers' notes has increased to the extent of four millions. Or, expressing the same results in the form of per centages, the quantity of gold coin has increased 60, and the quantity of bank and bankers' notes 15, per cent. We know that the increase of the paper circulation remains wholly within the country; and of the increase of the gold circulation we may safely assume that, at the end of 1852, one third, equal to seven millions, or about 20 per cent. of the previous quantity of gold coin, also remained within the country. The exportations to Australia and elsewhere will account for the remainder.

Evidence furnished in the previous portions of this paper, and the personal knowledge and observation of nearly every one, leave no room to doubt the vast and extraordinary increase which has taken place in every branch of industry in this country during the last three years. There has been, in particular, a great increase of transactions in those branches of retail and local trade in which the intervention of a circulating medium is most required. The money transactions of the working and poorer classes have augmented both in number and in amount. It is impossible to prove, but there is the strongest reason to believe, that the expansion both of the coin and paper circulation has arisen gradually, but almost wholly, from these causes. The increased quantities of coin and paper have, as a matter of fact, *not* been placed or thrown upon the market, and thereby led to greater activity in trade and to higher prices and wages. On the contrary, the increase in the quantity of the circulation has gradually grown out of the increase in the activity of trade. Brisk markets for British goods in Australia, America, India or Europe, first provided full employment for the working classes at former rates of wages. The expenditure of those wages stimulated the requirements for a circulating medium in the retail trades of the country. Emigration, adding its effects to those of expanding markets, then led to a rise in the price of labor; and the weekly demand for larger quantities of coin and notes necessary for the payment of higher wages, and for the circulation of the commodities in the purchase of which those higher wages were expended, has naturally rendered the former amount of circulation inadequate to the present business of the country. In short, the increased amount of coin and paper circulation has been *drawn* out, not *put* out; it is emphatically an effect, and not a cause.

If it were compatible with our design to enter into a digression in support of these views, we might refer to several circumstances which go to prove that in the retail trades of the country there has been an immense increase in the demand for coin; but we confine ourselves to two points only, viz., the great and notorious inconvenience occasioned by a scarcity of silver coin, and the necessity for more coin and notes resulting from the mere circumstance of the rise of 30 or 40 per cent. in the price of animal food.

The conclusion, therefore, at which we arrive is, that so far as this country is concerned, there is good reason to believe that the increased

quantities of coin and paper are no more than are sufficient to supply the enlarged requirements for a circulating medium; and further, that, as a matter of fact, the increase of the circulation has not preceded, but has followed, the greater activity in trade, and the rise in wages, and in the prices of some descriptions of commodities.

(4.) *The same inquiry as regards France and the United States.—General results.*

There remain to be considered the additions of fifteen millions sterling of coin, and of five millions sterling of bank notes, to the circulation of France during the five years ended with 1852; and the addition, during the same time, of thirty millions sterling of gold coin to the circulation of the United States. It is not necessary, however, that we should investigate these two cases as much in detail as the similar changes in our own country.

As regards France, there is no doubt of the increase of trade and the greater abundance of employment during the last two years; and we conceive that any augmentation in the quantity of the circulation which may have recently taken place in that country is adequately accounted for by the cause to which we have referred, and by the circumstance that in 1850 and 1851 the gold coin introduced into France was almost wholly a simple replacement of silver coin, which the *agio* in the Paris market rendered it profitable to convert into bullion.

The United States present no exception to the causes which explain the increased volume of the circulations of this country and of France. Rapid as may have been the extension of enterprise in Europe, it has not kept pace with the progress of the American people.

We have now answered the question of fact, namely, "How far it is true that the whole, or nearly the whole, of the new gold has been converted into coin, and has increased by its amount the previous volume of circulation?" And in answering that question, we have almost answered another of scarcely less importance, namely, "Have the additions of coin and paper made in this country to the previous volume of circulation preceded or followed the increase of trade, wages and prices; and how far has the order of similar events in France and the United States corresponded with their order in England?"

The answer to this question seems to be that, in each of the three countries, the augmentation of circulation has followed, and not occasioned the increase of trade, wages and prices.

On this part of the subject there now remains only another topic of inquiry, namely, "What is the mode in which, under the present banking system of this country, an increase in the quantity of gold is likely to operate on the rate of discount?"

(5.) *Operation of the new Gold on the rate of discount.*

We again commence our investigation with the facts. It is quite clear, (see Table XXI.,) that practically the depression of the rate of discount corresponded in date and degree very closely with the increase of

the reserve of the Banking Department. In the extract from the article of the 12th of July, 1852, we have adverted, however, to some of the causes which prevent the variations of the rate of discount from being controlled, by the influence even of the Bank of England; and the changes which have taken place in the money market, during the last eight months, illustrate and confirm the statements made in that extract. Speaking in the most general terms, the causes of a low rate of discount in this country are three-fold—first, an increase of the deposits placed with, and of the reserves held by, the Bank of England and by other bankers; secondly, the non-existence of financial uneasiness or distrust; and thirdly, the existence of no more than an ordinary demand for mercantile discounts and advances. The low rates of discount in 1843 and 1844 were produced by the joint operation of all these causes. The quantity of capital in the hands of bankers seeking employment was in excess of the demand, and the price of course declined. The same process was repeated last year, but with this additional circumstance, that the treasure of the Bank, instead of being twelve or thirteen millions, was then more than twenty. It was necessary to make a profit out of this treasure, and that profit could only be made by increasing the applications for discount; and, without tracing again all the steps of a process which is sufficiently obvious, we are justified in concluding that, under our present banking system, an increase in the quantity of gold can only operate on the rate of discount by rendering bankers, or, more accurately, by rendering the Bank of England, desirous to find employment for dormant funds by increasing the facilities of borrowers. The operation of the new gold on the rate of discount is accomplished wholly through the medium of advances, and not in the slightest degree through that of the circulation.

(6.) *Effects of a reduced rate of discount.—Increased requirements for capital.*

Modern experience has made us acquainted with few things more extraordinary than the rapid and wonderful effects produced by a considerable fall in the rate of discount, or, what is the same thing, by the facilities of borrowers being so enlarged that capital goes in pursuit of persons who will undertake to employ it. In most countries, but especially in England, there is at all times a profusion of enterprises to be undertaken, of experiments to be tried, of schemes to be worked out, of improvements to be made, of ingenious men to be set up with capital, of trades already profitable to be made more so by vast extensions,—all awaiting some period of a low rate of interest to bring them into light, and to obtain for them a favorable hearing. That a considerable portion of these adventures are ruinous and impracticable, is but too true. But many of them are sound, and not a few successful; and the success of some, if the rate of interest does not rise too rapidly, fosters and extends that disposition to embark capital, the inevitable effect of which is, sooner or later, to increase the demand, until it becomes so far in advance of the supply as to lead to higher rates of discount.

This is the change which has taken place in our own money market

since October last. The depressed rates of discount of the spring and summer of last year, acting in conjunction with the moral and material effects of the Australian discoveries, stimulated a disposition to embark capital in new and adventurous pursuits, and the absorption of capital has already gone so far as to establish a considerable rise in the rate of interest. And at present there is little likelihood of the process being checked. As a whole, the trade of the country is in a sound condition; the inordinate speculation in shares and scrip appears to have been effectually stopped; profits are large, and markets are generally rising. The constant employment and the augmented wages of the working classes keep up an enormous ready-money demand in the home trade; and there appear to be, on every hand, legitimate reasons for vigorous extensions of prudent enterprise. In some special trades, the inducements to extensive outlays of fresh capital are most striking, as in the shipbuilding trade, for example. Whatever, therefore, may be the extent of the production of new gold in Australia, it is in the highest degree probable that it will not suffice to lower the rate of discount, or, if to lower it at all, to do so for a short period only. The accumulation of a few millions of treasure in London, although in itself a fact of no small significance, becomes of comparatively little moment when measured against the impatience of a whole community to grow rich, by expending capital in every conceivable undertaking, old and new.

*(7.) Influences which may permanently raise prices.*

But while we entertain these decided views as to the manner in which the accumulations of new gold have produced, and will produce, through the medium of advances and not through that of circulation, their effect on the rate of discount, we are perfectly sensible that the extension of trade, and the rise in wages and prices, in producing which the low rate of discount has had not a small share, may, and in the end must, permanently enlarge the circulating medium of coin and bank notes, and thus occasion a depreciation of the circulating medium compared with commodities, or a rise in wages and prices solely on the ground of large permanent additions to the quantity of money: meaning by money, coin and notes convertible on demand into coin. The arrival of that state of things, however, is much more tardy than is generally supposed. Instead of being the first, it is the last stage of the process.

We are disposed to think, however, that, as far as this country is concerned, we witness at the present time the commencement of this final process, and that we witness it more in the rise of wages than in any other part of the phenomena. In producing the rise of wages, the operation of the new gold has been threefold; and we will state the causes in what appears to be the order of their importance. First, there have been the effects on enterprise of the low rate of interest during the year and a half ended with December last; secondly, there has been the expansion of the Australian and American markets for articles of British export, and the consequent increase in the demand for labor in this country; and lastly, there has been the very large emigration of persons belonging to the artisan and laboring classes.

It seems probable that the higher rate of wages will be the medium through which we shall arrive at a permanently higher scale of prices, and eventually at the ultimate incorporation of the new gold with the existing mass of gold coin and bullion in circulation and use in the commercial parts of the world. It is important to bear in mind that the expenditure of large wages by a vast working population, constitutes a rapid and ready money daily demand. The operation of that expenditure on the prices of the articles most in request is very powerful; and in all probability the demand will be so progressive as to prevent any important reaction, and permanently to draw out, and keep out, considerable additions to the former amount of circulating medium.

Nor will this process be confined to this country, or to any one country merely. In commenting upon Table XVII., and that table should be again examined with reference to this part of the subject, we have pointed out that, during the last seven months, the state of the foreign exchanges has been such as to carry gold in considerable quantities from this country to the continent of Europe, and that the gold so exported is used for the payment of imports required either as materials of manufacture, or as articles of luxury or comfort, for the consumption of our own population.

## II.—SPECULATIVE QUESTIONS RELATING TO THE FUTURE PROBABLE EFFECTS OF THE NEW GOLD.

### (1.) *Statement of some of these Questions.*

We have now considered most of the topics suggested by the evidence before us. There still remain many questions of great interest, but almost wholly speculative, and too large and intricate to be, on this occasion, satisfactorily discussed. Some of these will immediately occur to the minds of most readers—as, for example, the inquiry:

(1.) How far is it likely that rising prices, brisk markets and dear labor will stimulate enterprise and invention, and in that manner prevent the prices of commodities from rising in exchangeable value as rapidly as gold becomes more plentiful?

(2.) In what manner and to what extent is it probable that the changes occasioned by the new supplies of gold will affect debtor and creditor contracts entered into prior to the appearance of those supplies? How will they affect, also, the condition of annuitants and others wholly or mainly dependent on money incomes of fixed amount—the quantity of capital employed through the medium of private firms and public companies in various kinds of trade, and the price of land, of houses, of consols, and of railway and other shares?

(3.) Whether it is likely that a bad harvest, and the importation of fifteen or twenty millions sterling worth of corn, will produce any effects on our money market and trade approaching in violence and disaster to those of 1841 and 1847?

(4.) Whether it is likely that gold will so fall in value in comparison with silver, as to lead to the substitution of a gold for a silver currency in

France, and the consequent liberation of the 120 millions sterling of silver coin, composing the present circulation of that country.

(5.) Whether, in all calculations and reasonings on the effects of the new supplies of gold, it is not very necessary to leave a wide margin to cover consequences which may arise from large absorptions of gold and silver in India, in South America, and in Central and Eastern Europe—regions of which, as regards their requirements for a metallic circulation, we know exceedingly little?

(6.) How long will be the continuance—and what may we reasonably expect will be the effects on the progress and development of the Australian colonies—of the abundance of capital and the extremely low rates of interest which prevail at present at Sydney and Melbourne?

These are a few of the speculative inquiries which suggest themselves; and it would not be difficult to increase the list. We will endeavor to examine to some extent the first three of the questions stated, and to advert, as shortly as possible, to the remaining ones.

(2.) *Effect of increased demand on Production and Prices.*

The point raised by the first question, namely—how far new inventions and greater productions will tend to keep down the prices of commodities, notwithstanding the depreciation which appears to be sooner or later inevitable in the exchangeable value of gold—is one of great interest, and of no small practical importance.

The first observation that occurs is, that nearly all the contrivances and mechanical inventions, by means of which the production of articles largely in demand has been increased, and the price largely diminished, have had their origin either in a vigorous competition on the part of manufacturers to make the most of brisk and rising markets, or in the necessity of reducing by new methods the cost of production, at periods when a rise in price threatened to reduce materially the previous extent of consumption. It is difficult to say whether the influence of the competition for an extending field, or the anxiety to retain by diminished cost of production a field already won, has been the most powerful in stimulating ingenuity and energy. When trade is brisk, orders greater than can be executed, and prices rising, the inducements to expend capital in improved methods, are exceedingly great. The profits attending success are so enormous and so rapid—the advantages gained over competitors who have to perform the same work with costly manual labor is so prodigious—that the accomplishment of great revolutions in invention at such periods can hardly excite surprise. An immense premium is placed on the successful attainment of a given end; and so effectually has that end been thus far attained, that, to take only the single illustration of the cotton manufacture, for half a century we have seen a progressive decline in price in the face of a progressive extension of demand; and the supremacy of this country, as the seat of an industry wholly dependent on foreign raw material, has every year become more undoubted and confirmed.

It is not unreasonable, therefore—or rather it is quite in accordance



with our experience—to expect that the influence of brisk markets, of rising prices, of high wages, and of a moderate rate of interest, will be to stimulate, in a most marked manner, those efforts of energy and invention by means of which the cost of producing articles of manufacture has been, and will be, lessened, and consequently the prices of those articles kept comparatively low.

As a matter of fact, there are already several striking illustrations of this tendency. We will mention only three. First, the great rise in the price of oils employed in the manufacture of woollen cloths has led to experiments having for their object the substitution of milk in those processes in which oil is used. The experiments have been, to a great extent, successful; and the effect of the discovery will, in all probability, have several important consequences. In the first place, it cheapens the production of woollen cloth; in the next, it raises the value of grazing land and the price of cows in the woollen districts; and in the third place, as the animals will furnish beef when they have ceased to supply milk, it is probable that the discovery which has substituted milk for oil in the mills, will indirectly increase the quantity and diminish the price of animal food in the cottages of the work people.

The second illustration relates to agriculture. It is stated on respectable authority, that the scarcity of farm laborers in several counties has led to the invention of a machine which performs the operation of digging in an efficient manner; and if this be true, we shall not only diminish the cost of cultivation, but at the same time increase the produce.

And lastly, it is also stated on respectable authority, that the sewing machine, recently introduced from America, is an invention from which important results may be expected. It is described as performing satisfactorily, and with great economy, kinds of work which can at present be executed only by the labor of sempstresses. We must be understood as in no way committing ourselves to any opinion about the merits of the two machines last mentioned. We do not say that, like many other inventions of a similar kind, and of which great success has been at first predicted, they may not be found failures when tried upon a large scale. We allude to the statements respecting them simply as proving that the competition of capitalists for larger markets is already vigorously bent in a direction from which we have already derived the means of our manufacturing supremacy.

The practical inference to be drawn from these efforts to increase production is obvious. If we suppose that, in consequence of the new supplies of gold, an income of £200 a year should ultimately, as respects a few articles, be only equivalent to £100 a year at present, or, what is the same thing, that the price of those articles should rise \$100 per cent.; and if we suppose, further, that in consequence of new contrivances and inventions, the prices of leading articles of manufacture, such as cottons, woollens, silk, hosiery, hats, and the like, are, by the new supplies of gold, ultimately raised only 50 per cent., then the effect would be, as concerns fixed incomes, that the cheaper methods of production would save them from half the depreciation which they would otherwise, according to the

supposition, ultimately sustain from the operation of the new gold. It is by no means improbable that this will happen.

(3.) *Influence on Debtor and Creditor Contracts, and on Fixed Incomes.—Necessary Qualifications of the Inquiry.*

We may now proceed to the second inquiry, relating to the question of contracts now existing—to annuitants—to the quantity of capital employed in the trade of the country—and to the prices of land and securities.

With reference to inquiries of the nature here suggested, there is one observation to be made of considerable importance, and of very extensive application, viz., that it is not possible to conduct such inquiries at all, except upon certain assumptions of the most radical character. We have to assume, for example, that the time has arrived when the value of gold as compared with commodities, it is usual and certainly convenient, to say *all* commodities have fallen 50 or 100 per cent. We have to assume that other circumstances remain the same; and we have to argue on the supposition that nothing will occur during the interval, probably a long interval, which may elapse between the present time and the arrival of the period when the new supplies of gold shall have produced their ultimate effects. In other words, we have to argue on the supposition that we go to bed at night in the midst of the state of things which we actually see around us, and that we get up next morning in the midst of an entirely new economical dispensation, and a dispensation corresponding precisely with the abstract notions we are now able to form of the consequence which would arise from reducing the value of every man's income by 50 per cent. The mere statement of these conditions of the inquiry ought to render us exceedingly cautious in our reception of speculative conclusions, no matter what may be their plausibility and ingenuity.

All speculative inferences and doctrines are open to the objection, that their advocates cannot possibly pretend to form any estimate of what may happen in the progress of this and other countries to the period of what may be called the ultimate depreciation of gold. For example—four, or even three years ago, who would have ventured to predict that, before the spring of 1853, wages in England would rise from ten to twenty per cent., and that the most profitable branch of enterprise would be shipbuilding? Let it, therefore, be constantly borne in mind, that in all the hypothetical reasonings of this paper, as concerns the future, we express our views and draw our conclusions, subject to the large and important qualifications required by the considerations just referred to.

We now revert to the points suggested by the second question. The first of these points relates to the effects which will probably be ultimately produced by the new supplies of gold, upon debtor and creditor contracts existing prior to the appearance of these supplies. As we have said already, we can only consider this point by starting with the very large assumption, that a time has arrived when the prices of all commodities, as measured in gold, have risen 100 per cent. or have been doubled—or,

what is the same thing, when the value of gold has fallen 50 per cent.; or when two sovereigns will buy only as many commodities as one will buy at present. If, to resume our former illustration, we imagine a momentous revolution of this nature to be accomplished in the course of a single night, the answer to the inquiry is very easy. It is plain that, if all commodities double in price, while the money incomes of any particular class of persons remain without change, the command of that class over commodities will be diminished by one half. The effect to them of doubled prices and stationary income will be exactly the same as that of stationary prices and incomes reduced one-half: and this is the answer which is generally given to the inquiry under discussion. But it is an answer purely hypothetical. It is by no means certain that a fall of fifty per cent. in the value of gold would double the price of *all* commodities. It might double the prices of a few; but it is a great oversight to speak, even in the language of hypothesis, of *price*, as depending wholly, or even mainly, on the quantity of gold. Abundance, invention, enterprise, new discoveries—all the manifold causes which contribute to diminish the cost of production, exert the predominant influence over price; and in the present state of the world, and with the expanding resources of mankind, it is out of the question to assume that causes which have already been sufficiently powerful to meet increasing demand by falling prices, will, in future, when their strength is multiplied many times, cease to produce the like effects. The recipients of fixed incomes have in their favor one of the largest and most prolific chapter of accidents which can be conceived.

Let us apply this reasoning to the thirty millions sterling raised every year for the interest of the National Debt. If *all* prices were doubled, the thirty millions would fall in commodity value, and also in taxation value, to fifteen. The fundholder, or creditor, would lose what the taxpayer, or debtor, would gain. The thirty millions of taxes would constitute only the same per centage of the property and income of the nation as fifteen millions due now. The taxable surface would be so extended that a deduction of thirty millions could be spared with only half the inconvenience it occasions at present. This result would follow on the supposition that the prices of *all* commodities were doubled. Suppose, however, that the increased production of some commodities caused their prices to remain unaltered, in spite of the fall of 100 per cent. in the value of gold. Under such circumstances, would it still be true that a taxation of 30 millions would occasion no more pressure than a taxation of fifteen millions now? We decline to investigate the problem. Whatever the theoretical answer to it may be, at present we are satisfied that the real answer depends so entirely on influences and events of which we know nothing, that no useful purpose can be served by any elaborate discussion of the question. And, however inconsequential it may appear, we fully believe that the real course of events will be such as to relieve debtors materially, without seriously impairing the position of creditors.

(4.) *Effects as regards the amount of Capital required.*

The next question relates to the effect of the new supplies on the

amount of capital required to carry on the trade of this and other countries; and we again resume our illustration of a doubling of the prices of all commodities in a single night. It is clear that, under such circumstances, the amount of capital required to carry on the extent of business which previously existed would be doubled. A banker with a capital of £50,000 could only make advances to half his former customers—or to all his former customers for half the former amount; and the reason is plain. A man, for example, engaged in the business of making hats, would find, when the cost of producing them had risen from (say) ten to twenty shillings each, that a capital or an advance of £1,000 would enable him to do only half as much business as formerly. And there would be this further result, that, as under the ultimate circumstances implied by the supposition, the rate of profit on capital employed in trade would remain at the same per centage as at present, it would be incumbent on the hatter, and on all persons living on profits, to double their business, or, in other words, to double their capital, in order to maintain the same command over commodities as at present.

This conclusion has a considerable practicable application even at this time; for it will be readily perceived, that whatever causes tend to increase the amount of capital required to carry on the trade of the country, tend directly to absorb any surplus capital seeking employment, and tend, also, directly to raise the rate of discount and interest. We may find an apt illustration in the circumstances, at this moment, of the trade of a wholesale butcher. There has been a rise of thirty per cent. in the price of beef and mutton, and a man now entering into that line of business must employ in it £130, instead of £100, which twelve months ago would have purchased the stock in trade which is now to be had only for the larger outlay.

Practically, therefore, we may consider that one of the changes now in progress, is a change which, in the end, will probably render it necessary for traders to increase largely the capitals employed in their respective branches of business, as the only means of retaining the relative positions they hold at present; and further, that the necessity for these extensions of capital will greatly contribute to maintain, most likely to raise, the rates of discount and interest.

(5.) *Effects on the value of Land and Securities.—Special Circumstances.*

We now arrive at the last point under the second question, namely—what will be the effects of the new gold on the prices of land, of houses, of consols, and of railway and other shares?

This is an inquiry to be answered only by ascertaining in what manner the new gold will ultimately affect the rate of interest—that is to say, how far it will increase or diminish the quantity of capital seeking employment, compared with the demands for that capital. If, for example, the rate of interest should fall generally to (say) three per cent. on mortgage securities taken for long terms, this would indicate a superabundance of capital, or the presence in the market of large masses of capital seeking employment; and, as a natural consequence, the prices or value

of securities yielding interest would rise. We may suppose, for instance, that, with mortgage interest at 3 per cent. per annum for seven years certain, consols would be at par—perhaps above it. If, on the other hand, the rate of interest should rise, an opposite train of consequences would be produced. Mortgage interest at five per cent. would hardly be compatible with land at thirty-three years' purchase, or with consols at one hundred.

There is a material consideration, however, as regards consols, and as regards other similar species of investment, the *amount* of which is limited. The whole amount, for instance, of consols, is five hundred millions sterling; and so long as the quantity of capital seeking investment in consols is not more than five hundred millions, the price will hardly exceed par. Suppose, however, that in consequence of such augmentations in the amount of capital accumulated, and in the amount employed in the business of the country, that the amount of capital seeking investment in consols should rise to 750,000,000, then the price might be 150, or 50 per cent. above par; and that price might arise so entirely from the limited nature of the investment as to be independent, to a great extent, of fluctuations in the rate of interest. The same reasoning will apply to Exchequer Bills, India Bonds, India Stock, and shares in the more select public companies.

Railway shares also might exhibit the influence of special causes affecting their value as securities yielding interest, and for these reasons: The capital already expended in making the principal parts of the railway—such as buying land, making earthworks and excavations, building bridges and stations, and the like—is a capital which wear and tear will not render it necessary materially to increase. Other portions of the capital expended on the railway—as, for instance, in providing rails, locomotives, carriages, and all working contrivances—is such as to require perpetual reproduction. Call the first kind of capital constant, and the last perishing. Now, the interest or dividend on both is obtained by rates of toll on the work done. Suppose those rates of toll to be doubled, expenses remaining the same, the dividend would be doubled, and the value of the shares would be doubled. But the expenses could not remain the same under higher wages and higher prices of commodities. Suppose that, on the plea of higher wages and prices, the railway companies should induce Parliament to double the rates of toll—then the dividend would increase in proportion to the magnitude of the constant capital; for if a present toll of 1d. per ton per mile will pay a dividend of 3 per cent. on that constant capital, a toll of 2d. will pay 6 per cent. As regards the perishing capital and the working expenses, the outlay upon them would be fully in proportion to the altered circumstances of the markets. It must be remembered, however, that if the expenditure on working charges and for perishing capital, should be largely increased, and the rates of toll either not increased at all or not adequately, the result would, in all likelihood, be a large decrease of dividend.

Leaving this digression, however, we come back to the principal consideration, namely—is it probable that the rate of interest will fall in consequence of the new supplies of gold? and, therefore, is it probable that

the price of land, houses, &c., will rise? In the preceding parts of this paper we have collected evidence and statements which seem to show that the rate of interest is more likely to rise than fall; and if that view be the correct one, it is not likely that the prices of land and securities will materially increase.

(6.) *Mitigation of the Effects of a Bad Harvest.*

We pass now to the third general inquiry, whether, in the event of a bad harvest in the present year, rendering it necessary for this country to import fifteen or twenty millions sterling worth of corn, it is probable the changes occasioned by the new supplies of gold will prevent that importation from producing on the money market and upon trade, the violent and disastrous effects of 1841 and 1847?

There is good reason for believing that the changes produced by the new supplies *would* avert those violent and disastrous effects; and further, that the export of gold, which, under such circumstances, must take place from this country, would contribute, in a manner more striking and extensive than has yet occurred in the distribution of the new supplies over other countries, to the complete and absolute dispersion of a considerable part of those new supplies into regions which they have not yet reached. Even if the old corn law had not happily been repealed, and if we had still been condemned to suffer from the absurdities of vicious legislation, as well as from the chances of the seasons, it is exceedingly probable that the large accumulation of bullion in both departments of the Bank—[or it is impossible to suppose the separation of these departments under circumstances of pressure, added to the continuous arrivals of gold from Australia,] would have been sufficient to carry us with comparative ease even through the first two months of a large and sudden corn importation. We have the good fortune, however, to live in the seventh year after the great change of 1846, and to have witnessed so total a change in the corn trade, that, from being one of the most, it is now one of the least, speculative branches of commerce.

The repeal of the corn laws renders it no longer likely that a large importation of foreign grain will occasion a rapid and violent drain on the treasure of the Bank. Such an importation would undoubtedly cause an export of gold more or less considerable, but the foreign exchanges would adjust themselves with rapidity; and a few millions would probably be all that would be required in addition to the usual exports of goods, just as in 1847, when our importation of corn from the United States led to the largest increase of the exports to that country so far on record.

There is now a general agreement in the doctrine of Mr. Tooke, that the commercial disasters of the years from 1835 to 1843 were seriously aggravated by the attempt to carry on the foreign trade of the country, and especially under the old corn law, with a reserve of bullion in the Bank of England very much too small. In looking back at the history of those years, the wonder is, that on several occasions cash payments

were maintained at all. The Australian and Californian discoveries have furnished us with the means of avoiding that peril, at all events for the present.

We must pass over the fourth, fifth and sixth of the speculative questions on our list, contenting ourselves with having suggested them to the reader.

### III.—CONCLUSIONS.

We may now terminate our inquiry by a statement of the general results which the facts and arguments we have collected and employed appear to justify. And, still observing the method which we have been anxious to follow throughout, we will first state the conclusions which rest on foundations of *fact*.

We have seen, then, that the quantity of new gold produced in California and Australia to the end of 1852 is equal to not less than ten per cent. of the total quantity of gold existing in Europe and America in the early part of 1848, or immediately previous to the first appearance of the Californian supplies. We have seen, also, that the *annual* production of gold from *all* sources, which in 1848 was equal to two per cent. on the total quantity of gold then existing in Europe and America, had risen in 1852 to seven per cent. on that quantity.

So far, the whole, or nearly the whole, of the new supplies of gold have been absorbed as coinage in America, in this country and Australia, and in France. And not only has there been a large increase of the gold coinage in these countries, but the amount of the convertible paper circulation, probably in each of them, certainly in three, viz., England, France and Australia, has been considerably increased within the last twelve months. There is reason to believe, however, that the increase in the circulation of coin and paper has arisen almost wholly from an increase in transactions. It is a question, however, for investigation, whether the absorption of the new gold, as coin, can proceed to a much greater extent, without affecting the value of gold as compared with a larger or smaller number of commodities.

In this country there has been, since the summer and autumn of last year, a marked increase in the price of several descriptions of commodities; and it does not appear that that increase of price can in all cases be adequately explained, as concerns the commodities themselves, by considerations of supply and demand; nor, on the other hand, does it appear that we are justified by the evidence in attributing to the influence of the new supplies of gold, any extensive or decided influence in raising prices in this country. The facts, however, do justify us in believing that the new supplies have certainly begun, indirectly, and perhaps directly also, to operate in this country in a manner which does and will lead to higher prices.

As regards wages, however, the indirect and direct operation of the new gold in establishing higher rates is manifest and unquestionable; and since the autumn of 1852, the rise in the wages of artisan and manual labor in this country is equal to between 12 and 20 per cent.

It seems to be established by the evidence, that whatever effects may

have been produced in the United Kingdom in raising wages and prices, and in extending and increasing trade, have been accomplished by means of reductions in the rate of discount and interest, and by advances of capital, not in any way through the medium of the circulation. It appears, also, that the effect of the new gold in depressing the rate of discount was essentially of a temporary character, and was confined to the period during which the new gold was lodged chiefly in the Bank of England, in its progress from the mines to the general markets of the world.

Since those temporary effects have disappeared, the increased demands for capital, excited by the low rates of discount, and arising out of an extending trade, have raised those rates to fully their previous height.

It is the fact, also, that the apparently permanent increase of five millions in the outstanding circulation of the Bank of England, has rendered it not premature to consider, if the act of 1844 is to be maintained, whether the amount of 14 millions as the limit of the issue of notes on securities, should not be considerably enlarged.

In the Australian colonies, the effect of the new gold has been to add the stimulus of a very low rate of interest, and of an abundance of capital, to the other great and manifold causes of rapid development which they previously possessed.

And, generally, we are justified in describing the effects of the new gold as almost wholly beneficial. It has led to the development of new branches of enterprise, to new discoveries, and to the establishment, in remote regions, of populations carrying with them energy, intelligence, and the rudiments of a great society. In our own country, it has already elevated the condition of the working and poorer classes; it has quickened and extended trade, and exerted an influence which, thus far, is beneficial wherever it has been felt.

These are the conclusions justified by evidence and facts. There still remain the conclusions which seem to be justified by speculation; and these may be compressed within a smaller compass.

There does not appear to be any good reason for believing that the future results of the new supplies of gold will be, on the whole, less devoid of evil than they have been hitherto. We are not justified in expecting that, under contracts now existing, creditors will be sacrificed to debtors, that the recipients of fixed incomes will be hopelessly impoverished, that capital will cease to command a reasonable rate of interest, or that land and other objects of investment will rise to inordinate prices.

On the contrary, the great revolution is in progress so gradually, it is checked and moderated in modes so subtle and infinite, by influences too delicate to be exhibited by prices current or statistics, that, so far as we can judge of the future by what is now occurring around us, we have no reason to view with alarm a change in the economical condition of the world which, though new and startling, appears likely to adjust itself, without shocks or convulsions, to the expanding intelligence and resources of mankind.



## LEGAL MISCELLANY.

*The right of Trustees to invest in Bank Stock denied. A Trustee can only protect himself from risk when he invests the trust fund in real estate or government securities, or invests by order of the court.*

Supreme Court, Pennsylvania, at Harrisburgh, May, 1851, HEMPHILL'S Appeal. Opinion by Black, C. J.

Stephen Girard, by his will, bequeathed to Mary Antoinette Hemphill, \$50,000, to be invested by trustees, (whom his executors were empowered to appoint,) *on good security*, for her use, during life. The trustees, on the 12th of December, 1837, invested a part of this legacy in stock of the Bank of the United States, at twenty-two per cent. above par. The stock afterwards depreciated in the market until it bore merely a nominal value. The point to be decided is, whether the trustees shall be credited in their account with these shares of stock at the price they paid for them, or whether they must themselves bear the loss.

We have not a doubt, that the investment was made in perfect good faith, and we have just as little doubt that it was not made on good security. One of these propositions is amply sustained by the high character of the trustees, and the other by the total insolvency of the Bank. Neither of them was denied in the argument. But was the faith of the trustees justified by the condition of the Bank at the time? We feel obliged to answer this in the negative. The character of the Bank had been blown upon; the public funds had been removed from it; the general government had refused it a charter; it had bought one from the State at an enormous price; it was then in a state of suspension; and the prudence of its management was fiercely denied by very many persons.

These things were sufficient to put the trustees on their guard, and to prevent them from risking the trust fund in its stock, until they had examined its affairs, and were sure of its solvency.

But we put the case on broader grounds. In England it has been held for more than a century past, to be a settled law, that a trustee can only protect himself from risk when he invests the trust fund in real or government securities, or makes the investment in pursuance of an order by the court. (3 Atkyns, 444; 5 Ves. 838; 7 Ves. 150; 1 Madd. 290.) The same rule has been adopted, in its whole length and breadth, by the Courts of New York and New Jersey. (4 John. Chanc. Rep. 281; 4 Barb. S. C. R.; 2 Story's Eq. 638.)

In Pennsylvania this doctrine does not appear even to have been either affirmed or denied. In Nyce's estate, (5 W. S. 254,) the trustee was charged with the money lost by an investment in bank stock: but there were other reasons for it, besides the nature of the investment. In Lukens' appeal, (7 W. & S. 48,) a guardian was held responsible for a loss in Girard Bank stock; but in that case there was a manifest want of good faith. In Twaddell's appeal, (5 Barr, 15,) the Court gave the ac-

countant credit for Lehigh Loan stock, under peculiar circumstances, and because the company held real estate of large value.

So far, therefore, as our own authorities go, the question is an open one. But the time has come when the interests and rights of trustees, as well as orphans, married women, and insane persons, demand the settling of it; and we think the rule here ought to be as it is elsewhere, not because we feel bound by the precedent of a foreign State, but because we cannot resist the considerations of justice and policy by which they are supported.

It has never been doubted any where, that a loss which occurs of a trust fund, invested on personal security, must be borne by the trustee. Is the stock of a banking, manufacturing or trading corporation any better? Certainly not, if it be true, (and who will deny it?) that men associated together are subject to the same accidents, and exposed to the same temptations that individuals are. Chief Justice Gibson, in Twaddell's appeal, said that banking was essentially hazardous; from which I infer that he thought bank stock even more doubtful than personal security.

If a trustee may throw off his responsibility by investing the trust fund in the stock of a corporation, what security is left to the cestui que trust? Not even the personal responsibility of the corporators. On the contrary, the cestui que trust becomes, to the extent of the fund, liable for their misconduct, as well as for all the casualties of commerce to which their business is exposed.

There is no reason why the trustee should not make the investment in some security which cannot fail. It is just as convenient. In the country, real security can always be had, and in the cities and large towns there is no trouble about getting government stocks. It is better for trustees that the rule of their conduct should be clearly defined and well understood. A plain path, though it be a narrow one, is safer to walk in than a trackless waste, where no man can be sure that he is on the right course. If the occasion had arisen twenty years ago for laying down the true rule, the present loss would not have occurred. Then, the trustees would certainly not have stood by and seen the stock going down gradually, from one hundred and twenty dollars a share to nothing, without making an effort to save, at least, a part of it. But, unfortunately, they believed they had done their whole duty in the purchase of stock, and were, by that act, absolved from all further obligation to see to the interests which had been committed to them. It may be severe to correct in this way, an error as honest as theirs was, but we cannot help it. *Duum est, valde, duum; sed ita lex scripta est.*

We do not regard the fact of Mr. Girard investing a part of his own estate in this same stock, as any evidence in favor of the trustees. That he did so in 1831, or before that time, furnishes no reason for supposing that he would not have sold out if he had lived until 1837. Neither has Mrs. Hemphill's acceptance of the dividends paid to her, any influence on our judgment. She was not bound to direct the trustees how to make the investment. The will ordered that they should make it on good security; and if they had, knowingly and wilfully, disobeyed that command, even at her express desire, I doubt if they would have been in any

better situation. The object of their appointment was to protect her against her own imprudence, as well as against other dangers to which her property had been exposed, if it had been left under her own control. But that is not the point here. Certainly, her omission to express a want of confidence in her trustees gives them no advantage over her, and that is all we are deciding.

The exceptions to this account are taken only by Mrs. Hemphill. Neither her children, who are entitled to the capital after her death, nor any body in their behalf, are before us. It is, therefore, contended, that we can, at most, only charge the trustees with the interest or dividends on the sum lost by the purchase of the stock. But the accountants were bound to disclose the whole condition of the fund. In order to show what amount of interest was due to Mrs. Hemphill, it was necessary to set forth the capital sum from which it accrued. If we cannot charge them with the principal now, they must be relieved from the interest hereafter. In case of their death or discharge, her right to have the whole capital paid over to their successors in the trust, is a clear one; and it follows, that our duty to ascertain what it amounts to, and charge them with it, is equally clear. Whether the decree now made will include the trustees, in a future dispute between them and the children, is a question which can be decided when it arises.

On the question of compensation, we agree with the court below, and for the reasons which were there given.

It is accordingly decreed, that the sum of \$4,516 00 charged against the fund, as cash paid for Bank of the United States stock on the 12th of December, 1837, be stricken out; and that the accountants be charged with the said sum of \$4,516 00, as cash capital in their hands, and with interest thereon from the 23d of July 1839, the date at which they credit the fund with the last dividend on said stock. And the account being thus reformed, is to stand confirmed.

#### DECISIONS OF THE NEW YORK COURT OF APPEALS.

##### *Bills of Exchange.*

An ordinary bill of exchange, prior to acceptance, gives to the holder no lien, legal or equitable, upon the funds of the drawer in the hands of the drawee. (*Winter v. Drury*, 525.)

C., of New York, having funds in the hands of F., B. & Co., a house in Philadelphia, to the amount of \$250 only, drew a bill of exchange upon F., B. & Co. for \$400, payable at sight, and obtained the amount of it, less the difference of exchange, from W., an exchange broker in New York, and afterwards, on the same day, assigned all his property to D., in trust for the payment of his debts, and absconded; W., on the second day after the purchase of the draft, caused it to be presented to F., B. & Co. for payment, which was refused, because C. had not sufficient funds in their hands to pay it. F., B. & Co. immediately transmitted the balance (\$250) due from them to C., by their check enclosed in a letter to C., which in his absence was received by his assignee, D., and

the amount placed to the credit of the assigned estate. Held, that W. acquired by the bill of exchange no lien upon the money in the hands of F., B. & Co., and could not recover it from D., (the assignee,) who was entitled to hold it as a part of the assigned estate. *Ibid.*

#### *Authority of President and Cashier.*

Where the management of the affairs of a corporation is entrusted by its charter to a board of directors, the president and cashier, unless specially authorized by the charter, have no power to assign the choses in action of the corporation to its creditor as security for the payment of a precedent debt of the corporation, without authority from the board of directors. (*Hoyt v. Thompson*, 320.)

An assignment so made is not merely voidable, but absolutely void. *Id.*

The president and cashier have no power to do any act requiring the use of the corporate seal, without the assent and authority of the board of directors. *Id.*

#### *Stockholders.*

A stockholder in a private corporation has a right, at any reasonable time during the usual hours of business, and within thirty days previous to an election of directors, not only to inspect the books in which the transfers of stock are registered, and the books containing the names of the stockholders, but also to take a copy or memorandum of the names of the stockholders; and any officer of the corporation having the charge of such books, who, though he submit the books to the inspection of the stockholders, shall yet refuse to permit him to take such copy or memorandum, subjects himself to the penalty of \$250, provided by the first section of title 4, chap. 18, of the first part of the Revised Statutes. (*Cotheal v. Brower*, 562.)

#### *Usury.*

1. The borrower of money in New York agreed to pay for the use of it, seven per cent. interest, and a part of the difference of exchange paid by the lender, (a resident of Savannah, Georgia,) on the transfer of the money from Savannah to New York immediately previous to the loan. Held that the contract was usurious, and that the notes given for the money so loaned, were void. (*Jacks v. Nichols*, 178.)

2. Where such notes were twice renewed, the last notes being made and dated at New York, which was the residence of the makers and endorsers, and sent by the makers with another note as additional security, payable in New-York to the lender at Bridgeport, in the State of Connecticut, where he was then staying, and who there accepted the new notes, with the additional security, and gave up or sent to the makers at New York the previous notes, held that the contract must be governed by the laws of New York, and that such new notes were void, whatever might be the laws of Connecticut. *Id.*

3. There can be no usury in a loan of chattels, whatever may be the per centage upon their value, agreed to be paid for their use, unless such loan is intended as an indirect loan of money. (*Bull v. Rice*, 311.)

4. Where no such intent exists, a contract providing that the chattels loaned shall, when returned, have a certain fixed value, or that the borrower may, at his election, pay that amount in cash, and the sum agreed to be paid for the use of the chattels exceeds seven per cent. per annum upon such fixed value, the contract is not usurious. *Ibid.*

5. Nor, it seems, would the contract be usurious if such fixed value were shown to be the full value of the property when loaned, the lender assuming the risk of all losses which should appear to be providential.

### BANKING IN NEW JERSEY.

THE Governor's annual message notices the increase of banks in this State, and the disposition to create banks of circulation in out-of-the-way localities. He recommends special legislation to counteract this evil, and to require all banks to keep their notes at par at the State capitol. Governor Ford says :

I recommend that all banks of this State chartered under special acts of the legislature, be required, within a limited period, to deposit with the treasurer, or some other public officer, an assignment of stock, mortgages or real estate equal to the amount of notes issued to them, to be held in security for their payment in the same manner and under like provisions as the banks which have been organized under the "act to authorize the business of banking." This would place our whole banking system on an equal footing, and give it that stability, security and permanency so much needed by the public, and so desirable by well conducted banks.

"The facility with which banks may be organized and located, without reference to the wants of the community or the business of the place, is destructive of all the justifiable and legitimate ends of legitimate banking. In several instances, one or more banks have been located in places difficult of access, and having very little communication with the improved and populous portions of the State. The tendency, if not the design of this practice, is to prevent applications for the redemption of the currency issued by such banks being made at their counters or ostensible place of business, consequently the notes are returned to the large cities on our borders, (whence they are, no doubt, originally issued,) and a premium charged for their redemption. Those interested in these operations reap a rich harvest of profit. Our citizens, however, for whose benefit the law was enacted, suffer more or less by the depreciation of the notes. It is a question whether they will not, in the aggregate, lose as much annually by these manœuvres, as by the failure of banks under existing laws."

There are 24 banks organized under special charters and supposed to be in a solvent condition. They have a capital of \$3,619,900, with a circulation nearly equal to their capital, and additional liabilities to at least an equal amount. In regard to a portion of these banks, the public have no other security against losses, to which they are constantly subject, than the honesty and faithfulness of those who manage them. With others, a partial security is afforded by making the president and directors of the corporation personally liable for the payment of any bills or notes that they may

issue or circulate. That this provision for public security can and will be often evaded is very obvious. Besides, it puts the bank creditor to the trouble and hazard of a suit at law, and will generally prove inoperative, from the inability and unwillingness of those who usually suffer most from bank failures, to seek redress. Though not a thorough preventive of the evils of vicious banking, it operates as a check, and should be made more effectual by extending that liability to the stockholders to an amount at least equal to the stock held by them respectively. For my views upon this point, permit me to refer you to my inaugural address.

During the past year, two banks having special charters have failed, and are in process of liquidation; in one case the creditors will sustain nearly a total loss; the other will probably pay a dividend equal to one half of its indebtedness. Losses will be sustained by citizens, either as note holders or depositors, to a very large amount. The public security against the failure of existing special banks will be no better than heretofore, and would seem to require legislative interposition.

There is but one means of insuring their solvency, and that is, *by requiring all issuers of bank notes to give security for their payment.* I would, therefore, recommend that all the banks of this State, chartered under special acts of legislature, be required within a limited period to deposit with the treasurer, or some other public officer, an assignment of stock, mortgages or real estate, equivalent to the amount of the notes issued to them to be held in security for their payment, in the same manner and under like provisions as the banks which have organized under the "act to authorize the business of banking." This would place our whole banking system upon an equal footing, and give it that stability, security and permanency so much needed by the public, and so desirable by well conducted banks.

Freedom in banking, on the banker giving ample security for the payment of his issues, is not only feasible in practice, but correct in principle. Though tried with us only to a limited extent, satisfactory evidence is afforded that banks may be thus organized with profit to the stockholders and safety to the public. The main object of all banking operations being accomplished by organizations under the general law, the necessity and expediency of requiring all banks at a suitable time to comply with its provisions is strongly inculcated.

The subject of banking is highly important in its effects upon our financial interests and State character, and is entitled to your most careful consideration. I would earnestly recommend an entire revision of our statutes in relation to it.

The details of the general banking act are vague, unsatisfactory, and open a wide field for abuse. They have already been seized upon by the speculator, and in many cases our banks, though ostensibly located in New Jersey, have their whole business operations conducted by brokers in other States. The facility with which they may be organized and located, without reference to the wants of the community or the business of the place, is destructive of all the justifiable ends of legitimate banking. In several instances one or more banks have been located in places difficult of access, and having very little communication with the improved and populous portions of the State. The tendency, if not the design, of this practice, is to prevent applications for the redemption of the currency issued by such banks being made at their counters or ostensible places of business, consequently the notes are returned to the large cities on our borders, (whence they are no doubt originally issued,) and a premium charged for their redemption. Those interested in these operations reap a rich harvest of profit. Our citizens, however, for whose benefit the law was enacted, suffer more or less by the depreciation of the notes. It is a question whether they will not, in the aggregate, lose as much annually by these manœuvres, as by the failure of banks under existing laws.

Sufficient provision is not made for the security of the bank notes which pass through the hands of the treasurer. He has all the accounts of the bank in his own keeping—the engraving, issuing, registering and cancelling of notes, without check on the part of any other state officer. The amount of currency during the past year, which has been under his control, is \$916,811, with the prospect of a large increase during the year ensuing. The honesty, capability and efficiency of our present State Treasurer are undoubted; yet, where the inducements to fraud and speculation are so great, and the liability to change of official incumbents are so frequent, checks and guards sufficient to obviate the danger are deemed highly necessary. That necessity

becomes still more imperative in consideration of the unquestioned responsibility of the State for the delinquencies of its own officers.

These defects may, to a great extent, be remedied by judicious legislation. More effective restraints should be placed upon the power of locating and organizing banks; the present practice of requiring certificates from the Governor and Attorney-General to procure the institution of a bank at some other place than "the county towns or incorporated cities, boroughs, towns or villages of this State," is entirely nugatory in preventing the evil of improper locations.

I would suggest the propriety of creating a Board of Bank Commissioners, to be composed of some of the principal officers of the state government, whose duty it should be to meet at stated times, and decide upon all applications for banks, with power to determine their locations and amount of capital, and to report their views and proceedings to the legislature at each annual session.

The power conferred on banking institutions of creating a currency for all practical purposes in the daily transactions of business, is one of the highest prerogatives of legislation. Their notes circulate extensively, and are taken and used by the people so long as there is a probability of their redemption. Every citizen, therefore, has an interest in their safety, genuineness, and easy convertibility into ready money—or, in other words, preserving their par value in the State in which, and by whose authority they are issued. The difficulty and loss occasioned by a depreciation of the notes, may hereafter in a great measure be avoided by duly regulating the location of the banks. But in reference to existing institutions, whose ostensible places of business are of difficult approach, some rule should be adopted both convenient and safe for the public. A legal provision requiring all banks to keep their notes at par at the State Capitol, would be effectual. Its practicability has been elsewhere tested; its utility cannot be doubted.

---

## COMMERCE OF FRANCE.

The Paris *Debats* has the following summary of the official returns of the French Customs, published by the Administration of the Customs:

"The Customs' Administration has just published its annual tables of the exterior commerce of France in 1851. It is a large work of 500 pages, in which, however, every thing is explained and classified in the most intelligent way; and it is certainly the best publication of the kind for all who, from study or business, have to consult commercial statistics. A great improvement has added to its value for some years past—the reduction into actual or real value of the old official value which the Customs applied to goods during 25 years. We have, for comparison with the past, the permanent official value; and for the exact account of the importance of our exchanges, the actual value, fixed every year, for each sort of goods, by a commission formed by the Ministry of Interior and Commerce, of the *elite* of our manufacturers and merchants. The general and official account of our exchanges in 1851 is as follows: With foreign countries, 1,077,000,000f. imports; 1,439,000,000f. exports; total, 2,516,000,000f. With the colonies, 31,000,000f. imports; 190,000,000f. exports; total, 271,000,000f. These items being added, we have 1,158,000,000 francs imports; 1,679,000,000 francs exports; total, 2,787,000,000f. These figures say a good deal; they show, first of all, the smallness of the colonial transactions in a country which does nearly three *milliards* of affairs. It is not more than nine per cent.

We must not, however, lose sight of the importance of our colonies, under the double relation of maritime interest and a national market; and it is to be remarked, besides, that their exchanges with the mother country were increased in 1851 by nearly 50,000,000*f*. Another observation arises from the examination of these figures, namely, the enormous superiority of exports over imports. The former exceed the latter by nearly one half. That may be explained by the fact that we purchase from foreign countries a good deal of raw material, which we afterwards export, after giving it a high value in its manufactured state. The difference, however, may be partially made up by movements of money, which, represented by paper, necessarily escapes the control of the Customs. Now, if the general figures just cited be reduced to their real value, we find the imports fall to 1,094,000,000*f*., and the exports to 1,520,000,000*f*.. The total of real values is then 2,614,000,000*f*., the real amount of our foreign commerce. This makes a difference between the two compared values of 173,000,000*f*., which may give the sufficiently exact expression of the fall which has taken place in merchandise within 25 years. That valuation must be taken into account in the figures which follow:—Out of the 2,787,000,000*f*. of goods which we exchange abroad, 767,000,000*f*., or about 28 per cent., belong to transit and re-exportation, and thus represent the share which foreign goods take in our national commerce properly so called,—that is, what is designated special commerce; this, in 1851, was 2,020,000,000*f*., or in actual value 1,923,000,000*f*., of which 765,000,000*f*. were imports, and 1,158,000,000*f*. exports. In those figures we see, and in a still more marked manner, the superiority of our sales over our purchases abroad. But what is remarkable is, that this superiority exists only for the commerce by sea. For the operations by land it is the contrary, as will be seen by these figures:—Commerce by sea: Importation, 734,000,000*f*.; exportation, 1,355,000,000*f*.; total, 1,999,000,000. Commerce by land: Importation, 423,000,000*f*.; exportation, 365,000,000*f*.; total, 788,000,000*f*.. Thus our maritime commerce amounts to nearly 2,000,000,000*f*., which is about the third of that of Great Britain. Of that there is conveyed by national vessels 953,000,000*f*., or 48 per cent., and by foreign vessels, 1,046,000,000*f*., or 52 per cent. Their part is, our readers see, a little larger than ours; but in the tonnage the proportion is still more favorable to them. Foreign vessels, which bring us almost all heavy or cumbersome articles, have 2,389,000,000 tons, while the French have 1,699,000 tons; that is, the foreigners have 58.4 per cent. and the French 41.6, and the latter proportion has declined, it having been, in 1850, 43.5. Our maritime commerce is, then, far from being in a state of improvement, and its situation amid the general progress of other countries appears to us to demand the most serious attention of the government.

“To complete the general situation of the foreign commerce of France which we have traced, we must make known the variations it underwent in 1851. In value it increased on the whole by 82,000,000*f*., of which 76,000,000*f*. were in our own exchanges, and 6,000,000*f*. in transit. In 1850 our commerce increased by 140,000,000*f*.; in 1849 by 550,000,000*f*.; after having fallen 690,000,000*f*. in 1848. The increase of 1851, though



notable, was far from equalling what it was previously. The augmentation was, besides, only in exports; in imports there was even a decrease of 16,000,000*f*. On the whole, however, the commercial year of 1851 may be considered a good one for France."

## BANK STATISTICS.

### OHIO.

*Official Statement of the Condition of the sixty-eight Banks of Ohio in August, 1853.*

RESOURCES.	11 <i>Independent Banks.</i>	39 <i>Branches State Bank.</i>	5 <i>Old Banks.</i>	13 <i>Free Banks.</i>
Loans, . . . . .	\$3,276,842	\$10,185,691	\$1,787,890	\$1,286,018
Specie, . . . . .	249,792	1,682,872	889,918	171,625
Bank Notes, . . . . .	231,187	769,856	109,786	202,771
Due from other Banks, . . . . .	153,148	690,248	122,067	893,426
Eastern Deposits, . . . . .	819,975	2,096,896	713,452	388,098
Cash Items, . . . . .	86,878	75,717	....	44,888
State Bonds, . . . . .	1,058,143	823,127	....	922,790
Real Estate, . . . . .	120,523	143,545	93,843	26,454
Miscellaneous, . . . . .	251,320	232,540	225,844	11,543
<b>Total Resources, . . . . .</b>	<b>\$4,716,765</b>	<b>\$16,699,424</b>	<b>\$3,842,296</b>	<b>\$3,397,613</b>
<b>LIABILITIES.</b>				
Capital, . . . . .	719,830	4,141,175	986,300	695,440
Circulation, . . . . .	1,023,704	7,642,276	1,474,839	849,602
Safety Fund, . . . . .	1,165,783	49,887	....	268,830
Bank Balances, . . . . .	182,320	488,864	104,053	143,164
Individual Deposits, . . . . .	1,340,062	3,720,765	510,630	1,383,213
Contingent Fund, . . . . .	66,510	837,448	237,352	17,028
Time Drafts, . . . . .	122,090	96,908	8,452	43,600
Discounts, . . . . .	659,926	210,256	9,070	41,063
Dividends unpaid, . . . . .	911	4,523	1,964	668
Miscellaneous, . . . . .	30,218	57,838	10,185	....
<b>Total Liabilities, . . . . .</b>	<b>\$4,716,765</b>	<b>\$16,699,424</b>	<b>\$3,842,296</b>	<b>\$3,397,613</b>

There are four distinct orders of Banks in Ohio, viz.: 11 independent banks, 39 branches of the State Bank, under a Board of Control, 5 old banks, and 13 free banks. The above table shows a singular state of things in Ohio, and presents a remarkable contrast with the bank reports of other States. Ohio has adopted a law whereby the banks are taxed according to their loans, instead of their capital; and the banking capital of the State is thus liable to a severe and disproportionate burden.

Under this unprecedented act of the State of Ohio, it will be seen that their banking capital is less now than three years ago. The specie, circulation, loans and deposits are less now than in 1852. These facts will demonstrate to the legislators of Ohio that their bank tax law is working to the disadvantage of the State at large. Capital is driven to other States, where it is encouraged instead of being rigorously dealt with.

Several of the banks are preparing to close their business, rather than submit to the unjust and unequal burden imposed by the late tax law. In another year, their aggregate capital will probably be reduced from \$6,492,000 to \$5,000,000, and the commercial interests of the people will accordingly suffer.

*The comparative Condition of the Banks of the State of Ohio is shown in the following Table.*

RESOURCES.	May, 1847.	August, 1849.	Nov'r, 1852.	August, 1853.
Loans, . . . . .	\$10,986,651	\$14,448,848	\$16,787,252	\$1,885,942
Specie, . . . . .	2,026,551	8,209,920	2,631,320	2,444,204
Bank Notes, . . . . .	1,061,561	1,811,067	2,072,500	1,808,050
Bank Balances, . . . . .	519,868	799,687	1,044,325	1,868,890
Eastern Deposits, . . . . .	1,262,166	1,507,202	3,287,416	3,512,852
Cash Items, . . . . .	.....	153,500	96,123	156,984
State Bonds, . . . . .	1,170,270	1,975,500	2,803,483	2,834,060
Real Estate, . . . . .	.....	807,854	432,570	838,371
Miscellaneous, . . . . .	1,831,642	541,227	651,296	771,248
Total, . . . . .	\$18,328,719	\$24,749,824	\$30,006,240	\$23,156,100
LIABILITIES.		1849.	1852.	1853.
Capital, . . . . .	5,071,729	7,029,187	7,115,119	6,492,246
Circulation, . . . . .	7,281,030	9,868,680	11,873,210	10,969,921
Safety Fund, . . . . .	806,000	1,143,119	1,642,938	1,488,991
Bank Balances, . . . . .	1,061,860	1,291,291	1,524,110	878,400
Deposits, . . . . .	3,856,887	4,269,634	6,972,048	6,904,670
Contingent Fund, . . . . .	269,004	530,876	684,746	708,384
Time Drafts, . . . . .	.....	182,352	271,641	271,046
Discounts, . . . . .	.....	254,504	86,986	826,836
Dividends unpaid, . . . . .	.....	.....	196,967	8,060
Miscellaneous, . . . . .	492,260	85,181	138,437	98,096
Total, . . . . .	\$18,328,719	\$24,749,824	\$30,006,240	\$23,156,100

#### NEW HAMPSHIRE.

The following is a comparative view of the condition of the banks of New Hampshire in 1850, 1851, 1852, and June, 1853.

LIABILITIES.	March, 1850.	May, 1851.	June, 1852.	June, 1853.
Capital, . . . . .	\$2,208,950	\$2,500,400	\$3,076,000	\$3,176,000
Circulation, . . . . .	1,751,096	2,120,450	2,754,864	2,776,000
Deposits, . . . . .	453,670	563,818	613,770	767,784
Profits, &c., . . . . .	185,800	185,191	.....	806,356
Total Liabilities,	\$4,544,516	\$5,369,854	\$6,444,134	\$7,046,140
RESOURCES.	March, 1850.	May, 1851.	June, 1852.	June, 1853.
Loans, . . . . .	\$3,852,158	\$4,618,045	\$5,435,750	\$6,122,320
Due by other banks, . . . . .	432,872*	574,322	643,725	596,185
Notes of other banks, . . . . .	109,815	.....	141,513	102,730
Real Estate, . . . . .	.....	44,890	56,390	55,211
Specie, . . . . .	149,671	183,107	165,217	169,684
Total Resources,	\$4,544,516	\$5,369,854	\$6,442,585	\$7,046,140

\* Including bank notes.

In June, 1853, the amount due from the directors of the several banks, was \$62,853, (or only two per cent. of the capital.)

*A statement of the condition of the several Banks in New Hampshire, as they existed on the 1st Monday of September, A. D., 1853.*

<i>Names of Banks.</i>	<i>Places of Business.</i>	<i>Capital.</i>	<i>Loans.</i>	<i>Specie.</i>	<i>Deposits.</i>	<i>Circulars.</i>
Amoskeag,	Manchester,	\$150,000	\$328,516 12	\$5,008 27	\$49,188 99	\$148,947
Ashuelot,	Keene,	100,000	178,727 85	5,930 94	45,945 61	52,142
Belknap County,	Meredith Bridge,	80,000	148,683 79	5,254 15	11,560 18	79,055
Cheshire,	Keene,	100,000	213,522 47	4,797 96	28,368 17	99,972
Claremont,	Claremont,	100,000	194,445 88	5,438 55	10,893 16	97,000
Connecticut River,	Charlestown,	90,000	159,600 79	5,018 82	11,107 46	64,455
Cochecho,	Dover,	100,000	234,576 78	8,742 25	42,658 60	99,916
Carroll County,	Sandwich,	50,000	90,279 23	8,297 60	2,000 00	48,694
Dover,	Dover,	100,000	219,189 46	4,582 94	81,828 65	97,007
Francestown,	Francestown,	60,000	181,097 74	2,325 60	21,094 15	59,484
Granite State,	Exeter,	125,000	258,686 40	4,047 10	25,888 00	123,058
Great Falls,	Somersworth,	150,000	247,901 23	4,276 18	11,483 07	118,542
Indian Head,	Nashville,	100,000	208,466 99	8,383 12	88,716 27	100,000
Lancaster,	Lancaster,	50,000	76,124 55	1,158 94	8,184 85	18,678
Lebanon,	Lebanon,	100,000	178,842 78	10,574 81	26,017 11	99,696
Mechanicks,	Concord,	100,000	215,982 05	10,493 85	54,412 28	98,690
Merrimack County,	Concord,	80,000	176,250 65	13,735 92	87,424 70	79,218
Manchester,	Manchester,	125,000	258,943 70	5,699 06	42,078 78	124,965
Mechanics and Traders,	Portsmouth,	141,000	853,072 41	8,027 00	109,469 94	140,792
Monadnock,	Jaffrey,	50,000	91,290 08	8,628 88	9,850 73	46,265
Nashua,	Nashua,	125,000	260,458 04	9,421 57	16,544 86	124,561
New Ipswich,	New Ipswich,	100,000	167,818 46	4,870 11	5,290 08	95,775
Piscataqua Exchange,	Portsmouth,	200,000	395,457 59	6,296 06	49,607 80	194,477
Pittsfield,	Pittsfield,	50,000	87,251 92	2,147 79	4,104 69	48,670
Rochester,	Rochester,	120,000	169,419 25	7,564 86	4,894 60	67,588
Rockingham,	Portsmouth,	160,000	858,874 80	14,081 68	98,940 91	145,069
Salmon Falls,	Rollinsford,	50,000	98,231 26	1,042 46	8,832 85	49,482
*State Capital,	Concord,	100,000	194,423 46	4,426 16	81,864 22	96,758
Stratford,	Dover,	120,000	248,622 69	8,408 88	41,015 43	98,918
*Sugar River,	Newport,	50,000	94,582 10	941 43	4,852 19	49,000
Warner,	Warner,	50,000	92,634 14	2,593 10	5,524 08	48,492
Winchester,	Winchester,	100,000	183,647 05	8,402 78	7,125 41	90,230
*White Mountain,	Lancaster,	50,000	91,909 88	2,000 84	19,621 22	49,634
		\$3,226,000	\$6,896,900 99	\$178,502 50	\$899,789 08	\$2,950,665

#### VERMONT.

*Annual Report of the Bank Commissioners of Vermont, showing the condition of the Banks of that State.*

In the statements of the several Banks, care has been taken to exclude from the resources, or deduct from the apparent surplus, all bad debts; and also such sums for estimated losses on doubtful debts, as might appear reasonable. On this subject, however, the commissioner can have but little knowledge, excepting such as is derived from the cashiers and directors; and I repose too much confidence in their integrity, to believe

\* Since the publication of the report for 1852, these three banks have commenced business at the places named.

that they would give their signatures and oaths to a statement intentionally false. And it is confidently believed, that the resources reported will turn out nearly as represented. But we must not suppose that the bad debts enumerated in the statements, contain all the losses of that character which have been sustained. It is gratifying to find that most of the banks have adopted the custom of placing at once, all bad and decidedly doubtful debts, to profit and loss account; and thus treating them as a total loss, and redeeming them from the income of the bank, though there may be reasonable expectations of obtaining something in the end. Although this mode may sometimes absorb the whole profits, yet it is much better than to deceive ourselves with a show of worthless paper; and if any thing is afterwards obtained, it goes to profits, and at length to the stockholders in dividends.

The law requiring all loans exceeding fifty dollars to be approved by a majority of the directors, and restricting their indebtedness to 5 per cent., and all others to 10 per cent. on the capital, has a salutary influence on the affairs of our banks; and while the *spirit* of that law is observed, a failure cannot seriously be apprehended. These guards have not been thrown around the free banks, and the interests of the stockholders are not so well protected; while the redemption of their bills appear to be made as certain as the instability of human affairs will admit or the ingenuity of man can devise. But should it ever become necessary to force the sale of their stocks and mortgages, in a time of severe pressure in the money market, the avails might fall short of a full redemption, together with costs and 12 per cent. interest. But the deficiency would be small, and the directors' bonds would be a sufficient guarantee for the remainder.

All the banks, with one exception, have uniformly redeemed their bills at par in Boston, and are consequently exempt from the tax to the State. The South Royalton Bank has not redeemed in Boston, and has paid a tax, or bonus, to the State, amounting to \$1,400, under protest; claiming a reimbursement of one half the tax, on the alledged ground that one per cent. *annually*, was intended by the law, instead of one per cent. *semi-annually*; and that the law was so drafted at first, and afterwards erroneously copied. But the law is explicit; and there is no reason to believe that any error has happened in transcribing. The 49th section of the General Banking Law, imposing the tax on the free banks, is nearly a literal copy of the 24th section of the act of 1840, imposing the same tax on the chartered banks; and it was probably intended to place both on the same footing. But all may avoid this tax by redeeming at par in Boston.

Those banks which have given bonds for the redemption of their bills, are particularly mentioned, in connection with the names of their directors. All others are under the safety fund.

The banks have, generally, confined themselves strictly within the provisions of the law. There have been a few instances, however, in which the circulation and also the indebtedness of individuals, have inadvertently exceeded legal limits; but the excess has been corrected as soon as discovered.

During the past year, the increase of capital has been \$192,880; increase of circulation, \$1,005,688; increase of discounted notes, \$1,052,183; while the other items are not materially different from last year's report.

Nearly all the banks possess the means of supplying our citizens with all legitimate banking accommodations, and while they appear to be doing a sound business for themselves, they furnish a sound currency for the people.

GEORGE C. WEST, *Bank Commissioner*.

HARTLAND, September 2, 1853.

NOTE.—An error in the statement of the Bank of Orleans was discovered too late for correction. One item in the resources is too large, and the surplus should be \$1,374, instead of \$4,559.

*Abstract of the Condition of the Banks in Vermont.*

Names of Banks.	LIABILITIES.			
	Capital.	Circulation.	Other Liabilities.	Other Liabilities.
Ascutney Bank, . . . . .	\$50,000	\$95,200	\$9,563	\$157,762
Bank of Burlington, . . . . .	150,000	193,366	64,957	408,823
Bank of Brattleboro, . . . . .	150,000	285,737	44,123	429,860
Battenkill Bank, . . . . .	50,000	99,824	17,169	166,498
Bank of Bellows Falls, . . . . .	100,000	179,516	53,938	333,454
Brandon Bank, . . . . .	50,000	68,064	5,270	113,834
Bank of Black River, . . . . .	50,000	99,476	12,342	161,818
Commercial Bank, . . . . .	150,000	282,108	25,790	407,598
Bank of Caledonia, . . . . .	75,000	125,100	7,373	207,478
Bank of Castleton, . . . . .	88,750	75,658	22,649	187,052
Danby Bank, . . . . .	50,000	85,243	7,723	142,971
Farmers and Mechanics' Bank, . . . . .	150,000	239,500	85,752	425,252
Farmer's Bank, . . . . .	100,000	92,573	8,355	201,233
Franklin County Bank, . . . . .	100,000	130,951	83,174	264,125
Merchants' Bank, . . . . .	150,000	255,015	82,816	437,881
Bank of Montpelier, . . . . .	100,000	192,605	87,964	330,569
Bank of Middlebury, . . . . .	75,000	150,000	89,884	264,384
Missisquoi Bank, . . . . .	100,000	154,629	6,604	260,663
Bank of Newbury, . . . . .	75,000	142,116	17,819	234,435
Orange County Bank, . . . . .	50,000	98,732	4,660	153,392
Bank of Orleans, . . . . .	50,000	92,424	8,613	146,042
Passumpsic Bank, . . . . .	100,000	197,423	11,402	308,580
People's Bank, . . . . .	40,000	75,363	12,004	130,367
Bank of Rutland, . . . . .	150,000	271,589	55,416	477,248
Bank of Poultney, . . . . .	50,000	71,116	16,122	136,238
Stark Bank, . . . . .	100,000	195,391	12,305	307,696
Bank of St. Albans, . . . . .	50,000	95,536	40,212	135,748
South Royalton Bank, . . . . .	100,000	96,221	25,467	222,288
Union Bank, . . . . .	75,000	114,035	8,555	197,590
Vermont Bank, . . . . .	100,000	179,082	82,848	311,930
Bank of Vergennes, . . . . .	100,000	198,381	21,204	319,585
Woodstock Bank, . . . . .	60,000	114,734	27,271	202,006
White River Bank, . . . . .	74,690	147,023	6,573	228,291
Total, . . . . .	\$3,914,040	\$4,794,819	\$757,521	\$8,466,680

## RESOURCES.

<i>Names of Banks.</i>	<i>Notes. Discounted.</i>	<i>Deposits in City Banks.</i>	<i>Other Resources.</i>	<i>Specie.</i>	<i>Total. Resources.</i>
Ascutney Bank, . . . . .	\$147,843	\$8,779	\$7,904	\$8,145	\$167,171
Bank of Burlington, . . . . .	841,580	59,401	22,716	7,178	480,520
Bank of Brattleboro, . . . . .	815,531	97,729	15,324	11,047	439,981
Battenkill Bank, . . . . .	125,623	40,797	2,242	2,114	170,776
Bank of Bellows Falls, . . . . .	244,100	76,369	11,115	7,756	389,870
Brandon Bank, . . . . .	91,778	27,055	1,521	8,357	123,706
Bank of Black River, . . . . .	141,896	18,450	1,500	2,000	163,846
Commercial Bank, . . . . .	863,166	28,257	21,667	6,949	420,039
Bank of Caledonia, . . . . .	169,764	14,225	25,408	6,781	216,173
Bank of Castleton, . . . . .	66,147	40,564	81,530	478	188,769
Danby Bank, . . . . .	114,512	20,679	7,727	2,091	145,009
Farmers and Mechanics' Bank, . . . . .	402,320	27,505	24,030	4,870	458,775
Farmers' Bank, . . . . .	147,759	21,849	40,601	8,723	218,467
Franklin County Bank, . . . . .	227,293	8,342	34,000	3,860	273,000
Merchants' Bank, . . . . .	871,321	50,709	14,149	5,174	441,353
Bank of Montpelier, . . . . .	261,086	70,487	4,980	7,280	343,533
Bank of Middlebury, . . . . .	162,742	98,551	18,234	7,362	281,889
Missisquoi Bank, . . . . .	209,364	46,712	1,153	6,294	263,523
Bank of Newbury, . . . . .	192,205	87,349	5,940	12,404	247,698
Orange County Bank, . . . . .	120,839	20,139	16,792	4,918	162,683
Bank of Orleans, . . . . .	96,396	12,241	37,693	4,281	150,601
Passumpsic Bank, . . . . .	271,921	15,976	21,540	6,204	315,641
People's Bank, . . . . .	77,012	47,547	7,785	4,227	136,571
Bank of Rutland, . . . . .	832,075	123,961	9,257	14,308	484,601
Bank of Poultney, . . . . .	105,629	23,873	6,000	2,473	142,455
Stark Bank, . . . . .	263,704	22,999	21,876	6,849	315,428
Bank of St. Albans, . . . . .	175,143	4,611	22,361	2,518	204,938
South Royalton Bank, . . . . .	119,054	. . .	102,931	303	222,238
Union Bank, . . . . .	109,975	69,581	15,653	4,394	199,608
Vermont Bank, . . . . .	283,179	14,424	6,282	15,469	319,304
Bank of Vergennes, . . . . .	263,918	51,269	18,411	7,283	335,881
Woodstock Bank, . . . . .	173,716	8,043	16,246	6,289	204,299
White River Bank, . . . . .	197,223	23,724	6,004	5,834	232,255
<b>Total, . . . . .</b>	<b>\$6,635,594</b>	<b>\$1,241,207</b>	<b>\$640,512</b>	<b>\$1,183,548</b>	<b>\$8,765,561</b>

## MASSACHUSETTS.

Chas. A. Hamilton, Esq., having resigned his Cashiership of the Quinsigamond Bank, at Worcester, Mass., to take the office of Treasurer of the Worcester County Savings Institution, the President, Directors and Company of the Quinsigamond Bank presented him with \$700, and a very elegant Silver Pitcher, which cost \$125, as a token of their appreciation of his long-continued and faithful services.

The Pitcher bears the following inscription :

"Presented to CHAS. A. HAMILTON, Esq., by the President, Directors and Company of the Quinsigamond Bank, as a token of respect, and an acknowledgment for his faithful services as their Cashier, from 1833 to 1853—20 years."

## BOSTON BANK DIVIDENDS.

*Dividends of the Banks of Boston, for the years 1852—53, with their present Capital.*

	Capital.	1847.	1848.	1849.	1850.	1851.	1852.	1853.	Year. April, Octr., 1852. 1853.
Merchants' Bank, . . .	\$4,000,000	7	8	8	8	8	8	4	4
Bank of Commerce, . . .	2,000,000	...	...	new	...	9	8	4	4
State Bank, . . .	1,800,000	6	6½	7	7	7	6½	8½	8½
Tremont Bank, . . .	1,250,000	6½	7	7½	8	8	8	4	4
City Bank, . . .	1,000,000	6	7	7	7½	7	7	8½	8½
Exchange Bank, . . .	1,000,000	new	8½	8	8	8	8	4	4
Globe Bank, . . .	1,000,000	7	7½	8	8	8	8	4	4
New England Bank, . . .	1,000,000	8	8	8	8	8	8	4	4
Shoe and Leather Bank, . . .	1,000,000	8	9	8½	8½	8	8	4	4
Suffolk Bank, . . .	1,000,000	10	10	10	10	10	10	5	5
Union Bank, . . .	1,000,000	7	7	7	8	8	8	4	4
Boston Bank, . . .	900,000	7	8	8	8	8	8	4	4
Granite Bank, . . .	900,000	6½	7	7	7	7	8	4	4
North Bank, . . .	900,000	6	6	6½	7	7	7	8½	8½
Massachusetts Bank, . . .	800,000	6	6	6	6	6	6	8	8
Traders' Bank, . . .	600,000	7	7½	8	8	8	7½	4	4
Bank of North America, . . .	750,000	...	...	...	new	7	8	8½	4
Eagle Bank, . . .	700,000	6½	7	7	7	7	7	8½	4
Shawmut Bank, . . .	500,000	7	7½	7½	8	8	8	4	4
Market Bank, . . .	560,000	9½	10	10	10	10	10	5	5
Atlantic Bank, . . .	500,000	6½	7	8	8	8	8	4	4
Atlas Bank, . . .	500,000	6½	6½	7	7	6½	7	8½	8½
Columbian Bank, . . .	500,000	6	7	7½	7	7	6½	8	8½
Faneuil Hall Bank, . . .	500,000	...	...	...	...	new	7	4	4
Hamilton Bank, . . .	500,000	7	7	7	7	8	8	4	4
Washington Bank, . . .	500,000	6½	6½	6	6	6	6½	8	8½
Grocers' Bank, . . .	500,000	...	new	8	8	8	8	4	4
Blackstone Bank, . . .	850,000	...	...	...	...	new	7	4	4
Freeman's Bank, . . .	850,000	8	8½	9	9	9	9	4½	4½
Boylston Bank, . . .	800,000	8	8½	8	9	9	9	4½	5
Cochituate Bank, . . .	250,000	...	...	new	7	8	8	4	4
Mechanics' Bank, . . .	200,000	8	8	8	8	8	8	4	4
\$37,610,000									

MASSACHUSETTS BANKS.—By acts of the last legislature, the following Boston banks were authorized to increase their capital stock. The Shawmut Bank and the Union Bank both declined the increase.

	Former Capital.	Addition.	Present Capital.
Merchants' Bank, . . .	\$3,000,000	\$1,000,000	\$4,000,000
Bank of Commerce, . . .	1,500,000	500,000	2,000,000
Tremont Bank, . . .	1,000,000	250,000	1,250,000
Union Bank, . . .	1,000,000	100,000	refused
Granite Bank, . . .	750,000	150,000	...
North Bank, . . .	750,000	150,000	...
Bank of North America, . . .	500,000	250,000	750,000
Eagle Bank, . . .	500,000	200,000	700,000
Shawmut Bank, . . .	500,000	200,000	refused
Grocers' Bank, . . .	800,000	200,000	500,000
Blackstone Bank, . . .	250,000	100,000	350,000
Freeman's Bank, . . .	800,000	50,000	850,000
Boylston Bank, . . .	250,000	50,000	300,000
Mechanics' Bank, . . .	150,000	50,000	200,000

# BANK OF PERNAMBUCO.

*Semi-annual Statement of the Bank of Pernambuco.*

RESOURCES.			LIABILITIES.		
Bills receivable, . . . . .	1,759,581	\$323	Capital, . . . . .	1,000,000	\$000
Bills deposited, . . . . .	15,438	590	Emission of Notes, . . . . .	500,000	000
Deposits, . . . . .	54,663	725	Reserve Fund, . . . . .	7,132	739
Furniture, &c., . . . . .	4,865	627	Depositors, . . . . .	54,669	735
General expenses, . . . . .	574	000	Bills payable, . . . . .	367,919	541
Balance, . . . . .	70,795	414	Account current, . . . . .	267,919	541
			Profits and losses, . . . . .	1,159	630
			First dividend, . . . . .	1,805	000
			Second dividend, . . . . .	60,000	000
	<u>Ra. 1,904,469</u>	<u>\$784</u>			
				<u>Ra. 1,904,469</u>	<u>\$784</u>

*Bank of Pernambuco, June 30, 1853.*

IGNACIO NUNES CORREIA, *Book-keeper.*

*Statement of the Profits and Losses of the Bank of Pernambuco.*

General expenses,	.	.	.	.	.	.	1,789	\$879
Salaries, &c.,	.	.	.	.	.	.	8,998	990
Interests,	.	.	.	.	.	.	10,140	290
Reserve Fund,	.	.	.	.	.	.	4,008	844
Commission of Manager,	.	.	.	.	.	.	8,140	261
Second Dividend,	.	.	.	.	.	.	60,000	000
Balance,	.	.	.	.	.	.	1,159	680
Total,	.	.	.	.	.	.	<u>Ra. 84,188</u>	<u>\$488</u>
Balance of former account,	.	.	.	.	.	.	1,494	\$718
Profit on sale of Specie,	.	.	.	.	.	.	847	500
Discounts,	.	.	.	.	.	.	<u>82,846</u>	<u>225</u>
							<u>Ra. 84,188</u>	<u>\$488</u>

*Bank of Pernambuco, June 30, 1858.*

IGNACIO NUNES CORREIA, *Book-keeper.*

## PROPOSAL.

The Board of Directors of the Bank of Pernambuco proposes to the general Assembly of Stockholders, the following :

1st. That the Board of Directors be authorized to carry into effect the maximum increase of capital, decreed by article two of the Statutes.

2d. That this increase of capital being sanctioned, the respective shares be distributed proportionally among all the stockholders.

3d. That the collection of the amount of the shares be effected according to the exigencies of the case and the resolution of the board.

4th. That the board dispose, for account of the bank, of what shares may not be realized by the stockholders, according to the terms which may be set down.

5th. Finally, that the board be authorized to contract provisionally with the Manager, as to his commission, amendment of article 54 of the Statutes not having been approved by the Imperial government. S. R.

*Bank of Pernambuco, August 1st, 1853.*

NOTE.—In order to reduce the above figures to United States currency, in cents, omit the final figure of each line. Thus the capital, in our currency, is equivalent to \$1,000,000, and the bills receivable to \$1,759,561 and thirty two cents.—*Ed. B. M.*



## PROPOSAL.

The Board of Managers of the Bank of Pernambuco proposes to the General Assembly of Stockholders, that article 54 of the Statutes be substituted by the following :

ART. 54. The Manager will have, as a compensation for his services and responsibility, as well as to remunerate his employees, a commission of 5 per cent., after deducting the Reserve Fund, as the liquid amount proceeding from the capital of one thousand contos de reis ; and should it exceed this sum, the said commission will never be more than equivalent thereto, on the interest of the first capital ; but should the maximum contemplated in article two be reached, he will receive only three per cent. on the net proceeds.

FRANCISCO DE PAULA CAVALCANTI DE ALBUQUERQUE,  
MANOEL IGNACIO DE OLIVEIRA MANUEL,  
GONCALVES DE SILVA,  
LUIZ GOMEZ FERREIRA.

*Bank of Pernambuco, August 1st, 1853.*

## LIFE INSURANCE.

*Annals, anecdotes and legends : a chronicle of Life Assurance. By JOHN FRANCIS. London, Longman : Brown, Green and Longman.*

This work possesses two good qualities—it is both readable and instructive. Its readable quality arises from the anecdotic matter with which it abounds ; its instruction flows from the valuable information it conveys respecting the rise and progress of Life Assurance Institutions ; and its exposition of the attempts that have been made, from time to time, to render Life Assurance available for purposes of fraud against these institutions ; or, in some instances, the institutions themselves instruments of fraud against the public. The author, of course, has had to deal with old materials. He did not sit down for the purpose to create, but for the purpose of arranging facts already known.

Mr. Francis assigns to John De Witt, the pensionary of Holland, the earliest application of the probabilities of life to a system of annuities ; but as there were no recognised laws up to the end of the 17th century for calculating the laws of mortality, he remarks “that Life Annuities were granted according to the caprice of the usurer, or the ignorance of the annuitant.” The book affords abundant evidence that there was, in those days, hardly any limit to the cupidity of the one, or the folly and recklessness of the other. The greatest rogue in the line appears to have been a man of the name of Audley, who commenced life as “a lawyer's clerk, with a salary of 6s. a week.” In this respect, Audley certainly had the advantage of many of our present Assurance and monetary

men, who enter into the line without having had previous occupation, or pecuniary resources. There are several anecdotes told of this Audley: here is one of them:

"The annuity monger was also a philosopher. He never pressed for his debts when he knew they were safe. When one of his victims asked where his conscience was, he replied, 'We moneyed people must balance accounts. If you don't pay me my annuity, you cheat me; if you do, I cheat you.' He said his deeds were his children, which nourished best by sleeping."

In 1664, Henry Grant published a work on population, having previously applied himself to a close consideration of the bills of mortality which were systematically made up from the year 1603. Grant would have been a valuable member of the Statistical Society, if he had lived in the present day, as the following extract from one of his treatises will show:

"It were good to know how much hay an acre of every sort of meadow will bear; how many cattle the same weight of each sort of hay will feed and fatten; what quantity of grain and other commodities the same acre will bear in three or seven years; unto what use each sort is most proper; all of which particulars I call the intrinsic value, for there is another value merely accidental or extrinsic, consisting of the causes why a parcel of land lying near a good market may be worth double another parcel, though but of the same intrinsic goodness, which answers the question why lands in the north of England are worth but 16 years' purchase, and those of the west above 25. Moreover, if all these things were clearly and truly known, it would appear how small a part of the people work upon necessary labors and callings; how many women and children do just nothing, only learning to spend what others get; how many are mere voluptuaries, and, as it were, mere gamblers by trade; how many live by puzzling poor people with unintelligible notions in divinity and philosophy; how many by persuading credulous, delicate and religious persons that their bodies or estates are out of tune and in danger; how many by fighting as soldiers; how many by ministries of vice and sin; how many by trades of mere pleasure or ornament; and, how many in a way of lazy attendance upon others; and, on the other side, how few are employed in raising necessary food and covering; and of the speculate men, how few do study nature, the more ingenious not advancing much further than to write and speak wittily about these matters."

Contemporary with Grant was Sir William Petty, founder of the noble House of Lansdowne. Sir William published several essays on the increase of population, making in one of them the following estimate:

"1st. That London doubles in 40 years, and all England in 360 years.

"2d. That there be in 1682 about 670,000 souls in London, and 7,400,000 in England and Wales; and 20,000,000 of acres in land.

"3d. That the growth of London must stop of itself before the year 1800.

"4th. That the world would be fully peopled within the next 2,000 years."

Long before Life Assurance assumed a tangible form, or indeed had even been thought of, Marine Insurance had made considerable progress. It is, says Mr. Francis, mentioned as early as 1548 by the Protector Somerset, in a letter to his brother, the Lord Admiral; and there was a statute relating to it passed in 1601. In 1693, the Astronomer Royal, Halley, having had access to the Breslau registers, drew up the first table ever published on the probabilities of the duration of life at every age. The table is well known to our professional readers. Five years afterwards the Mercers' Company established an annuity office; and at the end of less than fifty years found themselves in this lamentable position:

"At Michaelmas, 1745, they found themselves indebted to the said charities, and their other creditors, £100,000; they were liable for present annuities to the extent of £7,620; for annuities in expectancy, £1,000 a year more—the whole of their income being £4,100."

The preceding extract from Mr. Francis's book, furnishes an impressive warning to those who are tempted in the present day to connect themselves with assurance companies, offering advantages which can never be realized, and making promises that can never be fulfilled. It took the Mercers' Company nearly fifty years to make the discovery, or rather to make the acknowledgment, that they were £100,000 in debt, which amount was steadily increasing by a deficiency of nearly £5,000 a year. What time will it take many of the companies, whose position has been set forth in the *Morning Chronicle*, and in the Cardwell Letter, to make the like discovery and acknowledgment? Most of the present policy holders will possibly pass away before so great a calamity may happen; but they should reflect seriously what overwhelming misfortune they may be entailing on the younger branches of their families. Many persons insure in the same office selected for a like purpose by their late parent, and for no other reason. Their generation, the sons and daughters of present assurers, it is more than probable, will not be fulfilled before the crash comes. By that time the present schemers will have passed away, and their successors in the management of the companies escape execration and responsibility, under the plea that they have conducted the business entrusted to them to the best of their ability, and are in no degree chargeable with the accident that has happened.

The *Hand-in-Hand* and *Sun* Fire Offices, were established in 1696 and 1710; and the *Amicable*, so frequently quoted as the first Life Assurance Company in the kingdom, in 1706. The number of shares in it was limited by charter to 2,000.

"The age of the shareholders—from 12 to 45—made no difference in his premium; and whether he were well, or whether he were dying, was no consideration. Each person paid £7 10s. entrance money, and £5 4s. for the remainder of his life; but as a yearly return of £1 4s. was paid to each shareholder, the real payment was £5. The yearly number of deaths in London was about 1 in 20 at this period, and this fact probably originated the amount of payment, though nothing could surpass the

absurdity of a plan which made no distinction between an old life and a young one—between a healthy and an unhealthy man.”

Shortly afterwards arose what were termed Assurance “little goes,” of which we have a counter part in those of the present day, that keep a staff of collectors running about from house to house to pick up twopences and threepences a week from the poor.

“In 1708, began what were then known as ‘the little goes’ of Assurance. One was held at the Cross-Keys, in Wych street. We gather that each person subscribed 5s. fortnightly, inclusive of policy, stamp, and entrance money, on condition of £200 being paid to his heirs and executors. Another was an evident bubble, 5s. a quarter, entitling the subscriber’s representatives to £120 at his demise; while a third, called the ‘Fortunate Office,’ was to provide marriage portions of £200 for those who paid 2s. a quarter.”

The following notice of these projects is taken by Mr. Francis from the *British Apollo*:

“A first and second claim is made at the Office of Assurance on Marriage, in Roll Court, Fleet street. The first will be paid on Saturday next; wherefore, all persons concerned are desired to pay 2s. into the joint stock, pursuant to the articles, or they will be excluded. *The two claimants married each other, and have paid but 2s. each.*” They were, however, to receive but £37. Here is another specimen: ‘Any person by paying 2s. at their entrance for a policy and stamps, and 2s. towards each marriage but their own, when the number is full, will secure to themselves £200; and in the meantime, in proportion to the number of subscribers.’ This undertaking was found to answer so well, that many others opened in the same line—one of them, appropriately enough, in Petticoat Lane. Soon after this, appears an advertisement from a Baptismal Office of Assurance, where every subscriber paid 2s. 6d. towards each infant baptized, until he had one of his own, when he was to receive £200, ‘the interest of which is sufficient to give a child a good education; and the principal reserved until it comes to maturity.’ Most of the projects were systems of wholesale robbery. For a time, however, they were greedily run after. ‘The success of these schemes,’ says a chronicler of the time, ‘sharpened the invention of the thrifty, and immediately almost every street in London abounded with insurance offices, where policies for infants, three months old, might be obtained for short periods. From these, they diverged into other ages and various descriptions of persons.’”

“Every street,” according to the *Apollo*, “abounded with insurance offices.” “It was found requisite,” says Mr. Francis, “to close the career of gentlemen without a penny;” and this was done by an act in the reign of Queen Anne, fixing a penalty of £500 on the promoters of such societies. Blessings on her present Majesty; but if it be not high treason to say so, it would be well if Queen Anne were among us now.

About that time the *Royal Exchange* and *London Corporation* Insurance companies were forbid, under charter for which the shareholders engaged to contribute the enormous sum of £600,000 for the use of the state. Mr. Francis furnishes a long and curious list of the insurance projects put forth at that period—the South Sea Bubble era.

We close with the following notice of De Moivre, one of the first who prepared the way for the present system of Life Assurance, by their valuable investigations.

"It is sufficiently known that the coffee-houses of the eighteenth century were the resort of all who sought intelligence, or loved the company of the wits and fine men about town. To one of these, in St. Martin's Lane, De Moivre went, where it was customary to apply to him for the solution of many questions connected with annuities, and for answers to queries concerning games of hazard, which were propounded to him by those who hoped to turn the chance of loss into a certainty of gain. The payment of these questions was his chief mode of subsistence; and there is something unpleasant in the memory of this man, compelled, in his old age, to be at the bidding of gamblers, and to consort with men who lived on the town by their wits."—*Post Magazine*.

---

## WHAT OUGHT MONEY TO BE ?

*From a correspondent of the London "Circular to Bankers."*

At the annual meeting of the British Association for the Advancement of Science, held last year at Belfast, a controversy arose between Mr. Hancock, Professor of Political Economy in the University of Dublin, and Mr. Francis Bennoch, Deputy of Cripplegate Ward, in the City of London, on several debatable points in monetary science. A friendly challenge there and then occurred, and both gentlemen agreed to try their strength at the next meeting of the association, which was convened at Hull in the middle of last month. The Professor was absent, but Mr. Bennoch read a paper or essay entitled "SUGGESTIONS FOR AN IMPROVED SYSTEM OF CURRENCY AND BANKING." Considering the occasion on which this essay was delivered, the intellectual and mercantile status of Mr. Bennoch, and the embarrassing position of the money market at this particular juncture, it is our duty to give an account of these interesting proceedings, and the more so, as distinctly new ground is occupied against that section of political economists who are the special advocates of bullionism.

Mr. Huskisson asserted that "it was the essence of money to possess intrinsic value." Lord Liverpool declared that our money ought to consist of gold, because England, being the richest country in the world, ought to fabricate her coinage out of the more precious of the two precious metals. Mr. Jones Loyd, adopting the theory of Mr. Huskisson, insists that the paper circulation should contract or expand proportionately to the influx or efflux of bullion, in order to secure at all times and under all circumstances what is popularly termed the convertibility of the bank note. One of the Indian hypotheses on cosmogony propounded that the earth rested on the back of an elephant, and that the feet of the elephant rested on the back of a tortoise; but when a sceptical querist asked on what the tortoise rested, the learned Pandit to whom this inter-

rogatory was addressed irately answered, "You are either an infidel or a lunatic." Mr. Bennoch seems to have taken a hint from this oriental doubter of orthodox cosmogony, for he challenges the disciples of Mr. Huskisson to demonstrate that it is the essence of money to possess intrinsic value; he attacks the very basis of the system, and charges the bullionists with having taken for granted the special point in dispute. Mr. Bennoch agrees to all the inferences deduced by Mr. Jones Loyd, provided the premises are sound, but he denies the soundness of the premises. Here, then, this vexed controversy is brought to a tangible issue; we have to deal with an elementary fact; there is broad affirmation, and equally broad denial, and the reasoning cannot advance one inch till the primary point is definitively settled. When Descartes put forward his theory of the Vortices, and Newton was dared to refute it, he quietly answered, "Hypothesis non fingo;" and Mr. Bennoch takes up a similar position: "Prove to me," he says, "that it is the essence of money to possess intrinsic value, that this is necessarily the case, and then I confess myself defeated; I do not frame hypotheses, nor will I allow my opponents to invent a fiction, and then palm it off on the world as an eternal truth." No doubt Mr. Huskisson's theory is deeply rooted, but this is the case with many errors as pernicious; it is a profitable error to usurers, and of course they cling to it with pertinacity; and it has been carelessly and uninquiringly embraced by so many politicians and so many writers who have been provided for by government for upholding bullionism, that it is difficult to obtain even a fair hearing on the subject; but let it now be understood, that those who have pinned their faith on the sleeve of Mr. Huskisson are challenged to demonstrate the truth of their master's primary and fundamental proposition, which is pronounced to be fabulous, imaginative, untenable, and worthless in the eyes of an exact and discriminating philosophy.

Mr. Bennoch's next point is, that if the doctrine of Mr. Huskisson were sound, it never could be carried out in practice, a purely metallic currency being ridiculously inadequate to carry on the enormous traffic of this country, which gives credit to the whole commercial world. This truth was felt, acknowledged, acted upon by Sir Robert Peel, when he constructed the Bank Charter Act of 1844, as in framing his measure he directly contradicted his own definition of the pound sterling, by allowing the issue of thirty-one millions of inconvertible paper, the banks not being required to hold bullion to answer that amount. To assert a theory and abandon it in practice, and proclaim a principle for no other purpose than to violate it, is no very substantial proof of legislative wisdom; yet this was what Sir Robert Peel did in 1844, and we want no other evidence that a purely metallic currency is impracticable; and thus Mr. Bennoch's second point is fortified against all invasion.

The variations in money which have taken place in this country are not sufficiently well known, and as they are given by Mr. Bennoch in a neat and condensed form, we transfer them to our columns:

"In the middle of the 14th century (1352) our gold pound, representing 20s., contained 360 grains of fine gold, worth £3 4s. in our present money. In the middle of the 15th century (1466) it contained only

240 grains, worth £2 2s. 8d. In the middle of the 16th century (1552) it contained 174 grains of gold of our present standard, worth £1 9s. In the middle of the 17th century (1650) it contained 140 grains, worth £1 3s. 4. In the middle of the 18th century (1750) the sovereign of 129 grains, which was issued at 20s. in 1663, passed for £1 10s.: and in the middle of the 19th century (1850) the sovereign of 123 grains is issued at 20s. It has been a constant series of changes in the value of the gold pound arising from the increasing value of gold in relation to goods and services. Had it not taken place, we should have had three times the weight of gold that we have at present in exchange for every commodity. Having taken place, all charitable institutions to which a fixed sum was bequeathed are injured. An hospital to which £30 per annum was left in the reign of Edward the Third, would now receive only one third of the value by weight.

Having stated these historical facts, Mr. Bennoch shows why this frequent change was forced upon the legislature. "Men," he says, "may increase in number who require its use, much faster than gold and silver can increase in quantity; and the products of labor may be indefinitely increased in bulk and value, while the earth gives out its metallic treasures with the same stinted measures as before. From which causes it happens that a less and less measure of value becomes apportioned to those goods or services, which no long time before were better remunerated." This reasoning may be extended to prove that a purely metallic currency can never adequately subserve the trade of a country which is constantly progressive. If the circulating medium or legal tender be limited within a fixed circle, and a law be passed to prevent the enlargement of its circumference, it is plain that all industrial operations must remain stationary. Were we confined to the roads and wagons used in the reign of Elizabeth, it is obvious that our trade (*ceteris paribus*) would be as contracted as it was in her age; and has not Adam Smith told us that money may most appropriately be compared to a road, as it discharges absolutely similar functions?

But suppose bullion were rejected as money, what shall be substituted? Mr. Bennoch is one of the prominent leaders of a new school who fairly answer this question in clear and explicit terms. They propose two distinct kinds of money; the one imperial or national, the other commercial. The former would be issued by the government, and derive its conventional value from the government, as is the case with exchequer bills; and to prevent the possibility of their depreciation through excess, the issues would be limited to the annual amount of taxation. They would not be cumulative from year to year, for mere paper bills or notes of the exchequer would constantly be paid into the customs and excise, and be cancelled, so that the volume of this kind of money would always be full, but never overflowing. Parliament would then, as now, determine the annual amount of taxation, and that would determine the amount of imperial or national money.

With the second kind of money, called commercial, government would have no right of interference under the pretext of regulating its quantity, but it would exercise an initiatory protectorate so as to guard the public

against adventurers or swindlers. The process would be somewhat after this fashion. Parties desirous of establishing a security bank for the issue of commercial money, would apply to the government for a charter of incorporation; they would produce their securities, which would be submitted to the law officers of the crown to test their legal validity, and then to the government actuaries to fix their moneyed value. Assuming these two inquiries to be satisfactory, the bank would be established, and on lodging their securities with government, with a power of sale in case it should become insolvent, the bank would receive notes to the extent of one half or two thirds of the value of the securities lodged; all these notes would be marked with a distinctive die, truly numbered, and on their face the guarantees for their aggregate issue would be specified. Neither the imperial notes nor the commercial notes would be convertible or exchangeable into gold, except at the market price of those metals. These two kinds of money are expressly and exclusively designed for the home trade, and the balances of an adverse foreign trade would be discharged as now in bullion. When a drain happened, the home trade would be unaffected, and there would be no occasion to raise discounts, as the home trade would be fed by a domestic currency utterly independent of the foreign exchanges. Gold would only have one function to discharge instead of two, and thus its use would be economised. Panics never could occur, and we should never hear of gloom in the city when gold left the country, for when it did it would go for its value as a commodity, instead of for its fixed mint price. Such is a succinct account of Mr. Bennoch's system, as we understand it, and if we make no historical allusion to John Law's bank, or the French assignats, it is because every ordinarily read man knows well, that all the twaddle which babbling ignorance has chattered on that subject, has fallen into utter contempt.

We are not committed to this or any other system. We never oppose what is new, *because* it is new, nor uphold what is old, *because* it is old. Monetary science is just as much amenable to the law of progress as any other science, and Mr. Bennoch has the merit of simplicity, for it is really based on two principles: first, that the essence of money is not intrinsic but representative; secondly, that gold should be treated like every other commodity, and be put at its market price in the national legal tender of this realm of England.

---

#### THE FLUCTUATIONS IN FLOUR.

WE have prepared, at considerable labor, the following highly interesting table, giving a comparative view of the price of Flour in this city for the first three months in each year, from 1796 to the present time. It possesses peculiar interest at the present moment, showing, as it does, the great and rapid fluctuations of the market, and stating the fact, that at periods when labor did not obtain more than one half the price it now commands, flour has sold at much higher prices. In 1796, for instance, it sold as high as \$15 a barrel, and at \$14 25 in 1817.



*Prices of Flour for the first three months of the year, from 1796 to 1853, inclusive.*

<i>Years.</i>	<i>Jan.</i>	<i>Feb.</i>	<i>March.</i>	<i>Years.</i>	<i>Jan.</i>	<i>Feb.</i>	<i>March.</i>
1796, . . . .	\$12 00	\$13 50	\$15 00	1825, . . . .	4 87	5 12	5 12
1797, . . . .	10 00	10 00	10 00	1826, . . . .	4 75	4 63	4 50
1798, . . . .	8 50	8 50	8 50	1827, . . . .	5 75	6 00	4 75
1799, . . . .	9 50	9 50	9 25	1828, . . . .	5 00	4 87	5 75
1800, . . . .	11 50	11 25	11 50	1829, . . . .	8 50	8 25	8 00
1801, . . . .	11 50	11 25	11 50	1830, . . . .	4 63	4 50	4 50
1802, . . . .	7 00	7 00	7 00	1831, . . . .	6 12	6 25	7 00
1803, . . . .	6 50	6 50	6 50	1832, . . . .	5 50	5 50	5 50
1804, . . . .	7 50	7 50	7 00	1833, . . . .	5 75	5 00	5 50
1805, . . . .	11 00	11 25	13 00	1834, . . . .	5 25	5 00	5 87
1806, . . . .	7 50	7 50	7 00	1835, . . . .	4 87	5 00	5 00
1807, . . . .	7 50	7 50	7 50	1836, . . . .	6 50	6 63	6 75
1808, [embargo,]	6 00	5 75	5 50	1837, . . . .	11 00	11 00	10 75
1809, do.	5 50	7 00	7 00	1838, . . . .	8 75	8 00	8 00
1810, in July & Aug. }	7 75	8 00	8 25	1839, . . . .	8 00	8 25	7 50
this year \$11 & \$12, }				1840, . . . .	5 37	5 50	4 87
1811, . . . .	11 00	10 50	10 50	1841, . . . .	4 50	4 50	4 25
1812, [war,] . .	10 50	10 12	9 75	1842, . . . .	5 87	5 56	5 25
1813, do. . . .	11 00	10 00	9 50	1843, . . . .	8 87	8 68	8 75
1814, do. . . .	9 25	8 25	8 00	1844, . . . .	4 25	4 50	4 63
1815, do. . . .	8 00	8 00	7 75	1845, . . . .	4 00	4 25	4 25
1816, . . . .	9 00	9 00	8 00	1846, . . . .	5 25	4 87	4 68
1817, . . . .	13 50	13 75	14 25	1847, . . . .	5 75	5 87	6 12
1818, . . . .	10 00	10 75	10 50	1848, . . . .	6 00	5 50	5 94
1819, . . . .	9 00	8 75	8 25	1849, . . . .	5 00	4 87	4 81
1820, . . . .	6 00	5 50	5 00	1850, . . . .	4 75	4 75	4 63
1821, . . . .	4 00	4 00	3 75	1851, . . . .	5 56	4 50	4 87
1822, . . . .	6 25	6 25	6 25	1852, . . . .	4 00	4 12	4 12
1823, . . . .	7 00	6 75	7 00	1853, . . . .	5 25	5 25	5 00
1824, . . . .	6 00	6 00	6 12				

We have chosen the first three months of the year, January, February and March, for the foregoing statement, for the reason that flour has generally reached its highest point during those months. In 1847, the Irish famine year, during the month of June flour advanced to \$9 75; although sales were made in November at \$6 12½, from which time it commenced to advance.

We stated that at one period during the year 1847, there were sales in Baltimore of Howard-street flour at \$10 75 per barrel,—this was correct so far as relates to the store price, but the wholesale and wagon price did not exceed \$9 75. There was a sale made to government, published about this time, of 150 barrels at \$10, but it was never delivered, the agent having withdrawn from his contract before it was legally closed.—*Baltimore American.*

## THE WABASH AND ERIE CANAL.

*Circular Statement from the office of the Board of Trustees of the Wabash and Erie Canal, No. 12 Wall-street, New-York, July, 1853.*

THE Trustees of the Wabash and Erie Canal herewith submit their semi-annual circular, exhibiting the proceedings of the Board, the revenue and condition of the Canal and the canal lands, and the general progress of the work to the 1st June.

STATEMENT of Receipts and Disbursements by the Board of Trustees of the Wabash and Erie Canal, from December 1st, 1852, to June 1st, 1853.

## RECEIPTS.

Balance on hand 1st December, 1852.....	\$265,876 42
Tolls and Water Rents.....	\$47,735 06
Lands east and west of Tippecanoe.....	62,705 00
Lands in Vincennes Land District.....	176,226 41
Interest on Deposits.....	430 41
	<hr/>
	287,096 88
	<hr/>
	\$552,473 80

There was also received for lands:

East of Tippecanoe, in scrip, principal \$175, interest \$129 58.....	804 58
West of Tippecanoe, in scrip, \$10.....	10 00
	<hr/>
	\$814 58

## DISBURSEMENTS.

General expenses.....	\$10,768 25
Ordinary repairs of Canal.....	28,236 62
Extraordinary repairs of Canal.....	11,269 62
Rebuilding bridges.....	1,684 50
Superintendence.....	3,179 76
Cost of collection.....	3,805 86
	<hr/>
	47,675 86

## CONSTRUCTION OF CANAL.

Terre Haute to Pt. Commerce, (Eel River Division).....	1,845 92
Newberry to Maysville, (Maysville Division)..	5,874 20
Maysville to Petersburg, (Petersburg Division,) ..	31,602 66
Petersburg to Evansville, (Evansville Division,) ..	240,839 19
Engineering.....	3,817 26
Damages.....	4,533 52
Clinton Draw-bridge.....	4,000 00
	<hr/>
	292,512 75
Land office, Logansport, (east and west of Tippecanoe,)..	760 89
Land office, Washington, (Vincennes District,).....	809 74
Interest to subscribers, contractors, and exchange.....	33,115 41
	<hr/>
	385,642 90

Leaving balance on hand June 1st, 1853.....\$166,830 40

NOTE.—Ordinary repairs embrace all expenditures for breaches, repairing banks, re-building lock-gates, &c. Extraordinary repairs embrace the expense of re-building locks and decayed structures generally, and for any new construction on the line of the finished canal.

The following tables exhibit the receipts of Tolls, from 1st December, 1852, to 1st June, 1853; as compared with the same period of time of the previous year:

OFFICES.	From 1st December, 1852, to 1st June, 1853.			From 1st December, 1851, to 1st June, 1852.		
	Dec., 1852, to April, 1853, inclusive.	May, 1853	Total, 1853.	Dec., 1851, to April, 1852, inclusive.	May, 1852.	Total, 1852.
Terre Haute, . . .	\$1,131 28	\$1,184 47	\$2,315 75	\$652 25	\$569 67	\$1,241 92
Covington, . . .	1,851 16	2,851 58	4,702 69	2,221 58	1,829 74	4,051 27
Lafayette, . . .	11,769 72	7,489 64	19,259 36	11,639 51	10,616 22	22,455 73
Logansport, . . .	8,593 63	2,132 07	6,025 70	5,037 49	2,442 00	7,479 49
Lagro, . . .	1,760 81	1,147 23	2,908 09	2,472 79	1,372 72	3,845 51
Fort Wayne, . . .	6,479 87	6,044 10	12,523 47	5,274 59	9,545 52	14,820 41
	\$26,835 97	20,549 09	47,385 06	\$27,493 46	\$26,895 87	\$53,594 33

It is proper in this place to call attention to the fact, that in March, 1852, a reduction was made in the tariff of tolls amounting to nearly 40 per cent., and that the revenues for the six months ending 1st June, as above stated, have been collected under this reduced rate.

#### CANAL WORK.

It is gratifying to be able to state that the work of construction of the main line of the Canal is finally completed; the water is being let into it as fast as it is safe to admit it, having regard to the newness of the banks and the character of the earth of which they are made. As this event is important to the interests of the subscribers, the following extracts from communications to the President of the Board of Trustees, from the Chief Engineer, Jesse L. Williams, and the Resident Engineer, Wm. J. Ball, will be read with interest:

"CHIEF ENGINEER'S OFFICE,  
FORT WAYNE, *June 21st*, 1853. }

"In view of your early departure for London, and your conference while there with parties interested in the Wabash and Erie Canal, I beg leave to make some statements regarding the progress and prospects of the work.

"Our friends abroad having no doubt been somewhat disappointed, as we have been ourselves, at the longer time required for the completion of the work, several facts and occurrences may be referred to as contributing to the delay. The work on the southern portion has proved very heavy and expensive, and much of it, situated in a district of country low and wet, allowing of operation only in dry weather, and presenting to the view of laborers the strongest objections to settled and continuous labor.

"The rapid extension of the rail-road system has greatly increased the demand for labor, while these works generally are located in more rolling and healthy districts, far more inviting to laborers, rendering it extremely difficult to keep men on the Canal.

"To these difficulties must be added the still greater one of the cholera, which for three successive seasons has scourged the line of the Canal,

destroying very many of the lives and stopping the work for several months at each visitation.

"The circumstances here referred to, besides burdening the progress of the construction, have tended to increase its cost, and I think we have been fortunate in getting the work through in the face of those difficulties within or so little above the original estimate.

"In regard to the productiveness of the work in future years, I can add no suggestion nor touch any point upon which you are not as well informed.

"At the commencement of the enterprise, the competition of the Wabash River as a channel of transportation for the heavy products of the country was looked upon with some concern; but I am happy to say, this rivalry is not likely to prove so formidable. From statistical information which I collected during each season for the five years past, showing the movement of produce, both by canal and river, it is demonstrated that the canal is steadily gaining upon the river, and is indeed becoming the main channel of transportation for the whole district of country intersected by both. During the last year there was shipped, by canal, of our great staple (corn) over two and a quarter millions of bushels, while by river the shipment was inconsiderable.

"If any serious disappointment is to be experienced in the revenue of the canal, it will be attributable mainly to the sudden springing up of the rail-road system—a kind of improvement not commenced to any extent, nor looked for in Indiana at the time of the State debt arrangement. Rail-roads intersecting the country at right angles to the canal, will contribute to, as much as they detract, from our commerce. It may not be so, however, with parallel roads, of which one or more are now in progress throughout the whole length, from Toledo to Evansville, at no great distance from the canal."

RESIDENT ENGINEER'S OFFICE,  
*Terre Haute, June 25, 1853.*

Sir,—In advance of the more formal report, to be submitted at the next meeting of the Board, I beg leave to present you the following statement in regard to the completion and actual cost of the Wabash and Erie Canal.

I have now the pleasure of informing you that the work of construction is completed, except the Birch Creek reservoir on Eel River. This reservoir is required to supply an *additional* quantity of water on the Eel River summit. The construction of a reservoir for this purpose was provided for in the original estimates, but it was not deemed necessary to put it under contract simultaneously with the other work.

When the Trustees took possession of the Canal, its construction was nearly completed to Coal Creek, a point  $36\frac{1}{4}$  miles north of Terre Haute. For finishing the work above Coal Creek, there was paid the full sum of \$4,154 50; including this sum and the amount yet to be paid on the Birch Creek reservoir, and also the damages caused by floods during the progress of the work, the entire cost of construction of the Canal to Evansville will amount to the aggregate sum of \$1,965,204.

Our first cutting was on the 5th of August, 1847, from which it will appear we have been nearly six years in completing the Canal; this may seem a long time to be doing two millions of work, but when all the difficulties under which we have labored are fully appreciated, I think it will not be considered remarkable.

We have in the first place met with many serious difficulties and delays on account of extraordinary floods. To repair these damages, occurring during the progress of the work, has cost not less than \$60,000. By reference to the official reports made from time to time, it will be seen that much loss of time has arisen from the prevalence of epidemics. We were visited by cholera in 1849, 1850, and in 1852, and the ordinary diseases of the country prevailed to a great extent in the fall of 1851. During the years '49, '50 and '52, no less than eight months in the aggregate of time was lost, and this was the more to be regretted, as the sickness occurred always in the best season of the year for work on the Canal.

The original estimate of the cost of the Canal was \$2,010,000. When the several amounts charged to contingencies, damages, &c., which accounts are not kept in this office, are added to the construction account, the aggregate will exceed the original estimate by a small per cent.; but when it is considered that labor has advanced during the progress of the work, from 75 cents to \$1 25 per day, and other expenses proportionably augmented, it must be a matter of surprise that estimates made seven years since should so nearly cover the whole cost.

The entire length of the Wabash and Erie Canal from Toledo, on Lake Erie, to Evansville, on the Ohio River, is 464 miles—including the feeders, 475 miles. Eighty-four miles of this length are in the State of Ohio, leaving 380 within the State of Indiana, and under the care of the trustees. On our portion of the Canal there are 16 feeders and feeder dams, 16 aqueducts, 73 locks, 197 culverts, and 173 road bridges, besides a great number of waste weirs.

During the last winter we were visited with very disastrous floods, which carried away large portions of the embankment and one of the aqueducts on the line of canal south of Terre Haute. The repair and reconstruction of the work has been attended with a very heavy expense, and delayed the final completion of the Canal for several months.

*STATEMENT of Receipts and Disbursements by the Board of Trustees of Wabash and Erie Canal, from 1st July, 1847, to the 1st day of June, 1853.*

RECEIPTS—FROM WHAT SOURCES.

Tolls and Water Rents.....	\$952,656	38
Lands east and west of Tippecanoe.....	585,193	03
Lands in the Vincennes District.....	654,792	65
Bondholders' Subscription, Interest, Exchange, &c..	864,499	73
	<hr/>	
	\$3,057,141	79
Of this amount there has been received in Scrip, in payment for lands at Logansport office, as follows:		
Scrip east of Tippecanoe, principal and interest.....	\$105,095	89
Scrip west of do. principal...	50,635	00
	<hr/>	
	\$155,730	89
	<hr/>	
	\$2,901,410	90

## DISBURSEMENTS—ON WHAT ACCOUNT.

General Expenses.....	108,656 54	
Ordinary repairs of Canal.....	206,701 47	
Extraordinary repairs of Canal.....	100,382 90	
Rebuilding Bridges.....	12,560 61	
Superintendence.....	34,955 50	
Collection.....	82,645 42	
	<hr/>	387,245 90
Construction of Canal.....	1,841,957 93	
Engineering, surveying, and locating.	67,662 74	
Damages and Water Power.....	60,113 74	
	<hr/>	1,969,734 41
Expense of Logansport Land Office..	16,348 76	
Expense of Washington Land Office..	8,221 61	
	<hr/>	24,570 37
Interest to Subscribers, Exchange, &c.....	249,373 28	
	<hr/>	2,734,580 50

Balance on hand 1st June, 1853..... \$166,830 40

Under the Trust, 190 47-100 miles of Canal have been constructed, extending from Lodi to Evansville.

*Statement of the Value of Land Offices.—Logansport Office.*

Value of Unsold Lands, 2,305 acres, east of Tipp. ..	\$10,116 59	
Amount due on Lands sold, east of Tipp., principal and interest to 1st June, 1853.....	74,954 02	
	<hr/>	\$85,070 61
Value of lands west of Tippecanoe, 21,297.56 acres unsold.....	47,857 77	
Amount due on Lands sold, principal and interest...	109,612 58	
	<hr/>	157,470 35
Total value of office, east and west of Tippecanoe.....		242,540 96

*Washington Office.*

Value of Unsold Lands in Vincennes District:		
93,913.34 acres, at \$2 50 .....	\$234,783 35	
334,640.63 " " 2 00 .....	669,281 26	
32,082.46 " " 1 25 .....	40,103 08	
	<hr/>	
460,636.43 " " .....		944,167 69
		<hr/>
Total value of Land Offices.....		\$1,186,708 65

The quantity of acres yet unsold is as follows:

East of Tippecanoe.....	2,305.00 acres.
West of " .....	21,297.56 "
Vincennes District.....	460,636.43 "
	<hr/>
	484,238.99 "

The liabilities of the Trust, on 1st of June, 1853, are estimated as follows:

Bonds outstanding to Forrer, Sturges & Hosmer.....	55,000 00
Probable amount yet to be paid on Clinton Bridge.....	5,000 00
Amount of judgments rendered in different courts, and estimated damages yet to be assessed.....	25,000 00
	<hr/>
	\$85,000 00

Balance of estimates to be paid Forrer, Sturges and Hosmer, and others, for construction, including retained per cent, per statement of Resident Engineer..... \$121,0 00 00

Total estimated liabilities 1st June, 1853, for the completion of the Canal..... 206,000 00

*SUMMARY of Value of Assets, 1st June, 1853, and Liabilities.*

Balance of cash on hand..... 166,830 40  
Value of the Land Offices..... 1,186,708 65  
\$1,353,539 05

**LIABILITIES.**

Interest due 1st July, on \$800,000 Loan and Coupons on Bonds to Forrer, Sturges and Hosmer..... \$25,752 00  
Estimated liabilities..... 206,000 00  
231,752 00  
Leaving balance of assets..... \$1,121,787 05

**PREFERRED CANAL DEBT.**

The following statements exhibit the entire Preferred Canal Debt:

1st. The advance by subscribing bondholders, 6 per cent. Loan..... 15,900 00  
2d. Preferred Canal Stocks issued to subscribing bondholders on account of principal and interest, viz.,  
Preferred for principal on account of Internal Improvement Bonds.. 3,659,500 00  
Preferred for principal on account original Wabash and Erie Canal Bonds..... 420,000 00  
Special Preferred for interest, 1841 to 1847, on Internal Improvement Bonds..... \$1,090,437 50  
Special Preferred for interest, 1847 to 1853..... 1,097,850 00  
2,188,287 50  
Special Preferred for interest, 1841 to 1847, on original Wabash and Erie Canal Bonds..... \$125,075 00  
Special Preferred for interest, 1847 to 1853,..... 126,000 00  
251,075 00  
Total issue of Preferred Canal Stocks to subscribing Bondholders, drawing interest 5 per cent. from 1st January, 1853, \$6,518,862 50, and with loan making..... 7,384,762 50  
3d. If to this be added the Certificates issued for original Wabash and Erie Canal Bonds, which were surrendered but not subscribed on, the following is the result:  
Deferred Certificates issued for principal..... 271,000 00  
Special Deferred Certificates issued for interest, 1841 to 1848..... \$81,925 00  
Special Deferred Certificates issued for interest, 1847 to 1853..... 77,400 00  
159,325 00  
430,325 00  
Making an aggregate of..... \$7,765,087 50

The entire balance due for the work of construction will be paid off during the present year, and it may be expected that an instalment will be paid to the holders of the \$800,000 loan, on account of principal, on the 1st July, 1854. The statements submitted show that there will remain on hand after the completion of the Canal, a quantity of land sufficient to pay off the whole amount of that loan, and leave a considerable surplus.

The State Debt Act contained a special provision in regard to the payment of the interest on the certificates of Canal Stock, issued for original Wabash and Erie Canal Bonds.

That portion of the Canal between La Fayette and the State line of Ohio, was originally pledged for the redemption of the principal and interest of the bonds issued for its construction, (known as Wabash and Erie Canal Bonds,) and the object of the provision of the act was to protect that pledge on the one hand, and reduce it in amount on the Canal on the other. The stocks issued for this class of bonds have always been kept separate and distinct from those issued for other bonds of the State in compliance with the act.

The Trustees were, however, unwilling to recognise any liability to pay interest on this class of certificates, until the Canal was completed and paid for, but the holders of such certificates issued for original Wabash and Erie Canal Bonds (so called) insist, that by virtue of the provisions of the act, the Trustees have no discretion, but are bound to apply the net revenues received by them from that portion of the Canal between La Fayette inclusive and the Ohio State line, to the payment of the interest on that class of certificates, from and after the first of January, 1853. As there seemed to be some room for doubt on the subject, the Trustees were anxious to take such course as should best carry into effect the intention of the Legislature: they therefore deemed it proper, as well for their own security as the satisfaction of the bondholders, to obtain the decision of the Supreme Court of Indiana as to the proper construction of the act, and they accordingly adopted the following minute on the subject, at the June Session of the Board:

*“Ordered,* That no payment of interest be made on the first July, 1853, on certificates of Canal Stock issued for original Wabash and Erie Canal Bonds, nor until a judicial construction be obtained as to the powers and duties of the Trustees in respect to the same.”

It is proper to state, that a demand for interest dne on the 1st July instant, has been made by holders of this class of certificates, which was refused under the order of the Board, and that in consequence, a proceeding has been directed to be instituted against the Trustees by one of the large holders by mandamus in the courts of Indiana, and it is expected that the final decision of the court as to the duty of the Trustees will be rendered prior to the first of January next.

The election of Trustees on the part of subscribing bondholders, was held in pursuance of notice, on the 13th April last, a majority in number and value being present in person or by proxy, and the undersigned, and Thomas Dowling, Esq., of Terre Haute, were unanimously re-elected Trustees: Benjamin Edmonston, of Indiana, was, during the last session of the Legislature, elected State Trustee, to succeed Dr. Nofsinger, the present incumbent, at the close of the present year.

In the next annual report of the Trustees, they will be able to state with accuracy the total cost of the entire line of Canal, including the amount expended by the State before it came into the hands of the Trustees.

Respectfully,

CHARLES BUTLER,  
*Pres't Board of Trustees W. & E. Canal.*



## FRAUD ON INSURERS.

The following singular case of a fraud committed in Berlin, on two insurances in London and Copenhagen, discovered after a concealment of four years, we find related in a foreign paper :

An extraordinary case of fraud has just been discovered here, the details of which are almost incredible ; but as the police have acted on certain information, and the parties have been arrested, there is no doubt of their truth. On the evening of the 28th of September, the priest of the Catholic congregation and the sexton of the burial ground belonging to the Catholic church, were surprised by an intimation from the criminal police that one of the graves was to be opened, and the coffin officially examined, suspicions having arisen as to its contents. At the appointed hour on the 29th, a judge of the city court, M. Schlottke, M. Meier, the staatsanwalt, or public prosecutor, M. Steiber, the polizei-rath, and a body of constables, arrived at the ground, outside the Oranienberger gate. The clergyman and the sexton were also in attendance. After some searching the grave was found in which, on the 24th of November, 1848, a certain Franz Thomatscheck, a master tailor, was buried. The coffin was found in good preservation. According to the information the police had received, it was stated it contained no body, and when opened, the supposition was fully confirmed. Instead of a corpse, an old board, a wisp of half rotten straw, and some stones, were all that was visible. Yet the sexton remembered that the coffin had been interred with all religious ceremony, amid a circle of weeping friends and relations of the supposed defunct. The registry of the burial had been regularly made, and no one connected with the church had any doubt that a real interment had taken place. Before the police searched the ground, they had arrested several persons in the city—among them the medical man who had attended the supposed deceased in his last illness, and had written the certificate of his death, on the faith of which, the funeral rites had been performed. The ground of the deception was an extensive fraud on two life insurance offices—one in London, the other in Copenhagen—two distant establishments having been chosen to render the cheat more practicable. The parties to it were Anton Thomatscheck, also a tailor, who in 1848 resided in a house on the Linden, and his brother Franz, who in that year had returned from Copenhagen, and lived with him. They were both in needy circumstances, and to procure money they formed the plan which was so successfully carried out, and so long concealed. Anton insured the life of Franz in a London office for 9,000 thalers, and in another at Copenhagen for 1,000 more. Shortly afterwards Franz was reported to be dangerously ill, was attended by a surgeon, and duly died. The surgeon, for a bribe of 100 thalers (or \$75) drew up and signed the certificate of the death, on which the premiums were paid to the surviving brother. The coffin, prepared as described, was committed to the earth with all the ceremonies ; and, impelled by a strange curiosity, Franz, who shortly before his death had left the house of mourning in disguise, watched his own burial at a distance, and heard the funeral service read over

himself! Immediately afterwards he fled from Berlin, and fixed his residence in a small town in Bohemia, where, by the aid of the telegraph and the Austrian government, he has been arrested before he could receive information of the discovery of the fraud. Anton was paid the insurances, which he divided with his brother; when this part of the transaction was arranged, the disconsolate widow of the (in a double sense) departed man, also left Berlin, and joined him in his Bohemian retreat. After nearly four years, the crime is discovered, and all the parties to it are in the hands of justice. The "dead alive" will have to stand at the bar, together with the doctor who killed him, and the process, it is anticipated, will be in the highest degree interesting.

---

#### MISSISSIPPI PLANTERS' BANK BONDS.

THE following correspondence has taken place between certain citizens of Jackson, Mississippi, and Messrs. ADAMS & DIXON, who were employed as counsel for plaintiffs in the late case before the High Court of Errors of that State.

*Jackson, Sept. 5, 1853.*

Messrs. ADAMS & DIXON: Gentlemen,—In common with many of our fellow-citizens, we feel interested to learn what course the holders of the bonds issued by the State, on account of the Mississippi Union Bank and the Planters' Bank, respectively, intend to pursue in relation to those demands. Presuming that you, as attorneys for many of the bondholders, are cognizant of their views, we ask you to inform us, should your professional duty permit, upon the following points:

1. Do the bondholders intend to sue upon any other of said bonds?
2. Do they intend to apply to the next ensuing legislature for the payment of any of those demands, or of the recent decree rendered, at the suit of Hezron A. Johnson against the State, upon one of the Union Bank bonds; or for the passage of any act imposing any tax for the payment of any of said claims?
3. Will the holders of said bonds consent to an extension of the period of payment, or to such liberal arrangements of those debts as will enable the State to discharge the same, in a manner not oppressive to the people?

Very respectfully, your obedient servants,

PATRICK HENRY,	GRAFTON BAKER,
A. R. JOHNSON,	GEO. L. POTTER,
W. R. MILES,	A. G. MAYERS.

*Jackson, Miss., Sept. 8, 1853.*

Gentlemen,—Your favor of yesterday is before us, and in reply, we would state, that as the attorneys of a majority of the holders of the Mississippi Union and Planters' Bank bonds, who, as we believe, also reflect the views of the other holders, we were instructed to bring suit against the State, on one of the bonds issued for and on account of the Mississippi

Union Bank, for the purpose of testing, and having finally determined, the legal liability of the State for the payment of all of said bonds. Having brought said suit in such manner as to accomplish this object, and having obtained the decree of the Chancellor, and of the high Court of Errors and Appeals, in favor of the holders, settling definitely all questions connected with the liability of the State, we, in common with the holders, consider the legal questions as finally determined, and neither they nor ourselves have ever expected to bring any other suit on said bonds, nor shall we do so. As to the Planters' Bank bonds, neither the holders whom we represent, nor ourselves, recognise the existence of any legal question or doubt as to the liability of the State, requiring a decision of the courts of justice.

In reply to your second interrogatory, we would state, that at the time suit was instituted, it was the intention of the holders, in the event a decree should be obtained in their favor, *to apply to the next succeeding Legislature for an act, making provisions for the payment of the whole debt, in such mode and manner as the Legislature might see proper to provide.* But owing to the fact that the cause was not finally decided, until a period too late to have the question fully presented to the people of Mississippi, in order that they might give instructions to their representatives, free from partisan influence or bias; it is not their intention to apply at the next session of the Legislature for the passage of any law making unconditional provisions for the payment of the whole debt, or for the payment of the particular decree rendered. As before stated, the suit was only to settle and fix the liability of the State, *the object being to collect the whole debt, and not the particular bond.*

In reply to your kind interrogatory, we would state, that the holders of the bonds issued for and on account of the Mississippi Union and Planters' Banks, will consent to any reasonable time for the payment of those liabilities. They have not expected or anticipated any provision for the *immediate* payment of the whole debt. They have, on the contrary, authorized us to make a proposition to the Legislature of the State, which we see no impropriety in making public at this time, as it is the desire of the holders to obtain a full and fair expression of public opinion.

The proposition they have to make is, that the bonds issued for and on account of the Mississippi Union and Planters' Bank, with the interest accruing thereon, shall be taken up, and new bonds so to be issued, shall be made payable in four annual instalments of fifteen, thirty, forty-five and sixty years.

That the bonds so proposed to be issued for the interest *now due*, shall bear no interest for three years. The principal sum only to bear interest from date, at the rates always fixed in the face of the bonds. That after the expiration of three years, such portion of the bonds for interest as then remain due, shall bear interest at a like rate. And as the amount of tax necessary to liquidate the debt, whilst they do not desire to dictate or interfere, yet they are perfectly willing to take a tax of one fourth of one per cent., on the assessed ad valorem value of such real and personal property as is now subject to taxation in the State of Mississippi, feeling confident that it will liquidate the debt before the expiration of the time pro-

posed; or if it should not, being willing to grant any further reasonable extension of time.

As this proposition is now made for the first time, and as the holders wish to obtain a fair and unbiassed expression of public opinion, and instructions by the people to the Legislature; could their wishes be consulted, they would desire that the next Legislature should provide by law in such manner as to free the question from extraneous or party influences, and for a submission of this their proposal to the people—feeling assured that now that all questions of law are settled, the people without distinction of party will accede to so reasonable a proposition, and give the necessary instructions to their representatives to have it accepted and passed in the form of a law.

From a desire to return a prompt answer to your queries, we have not had time to write this response with that clearness and precision that we could wish; but hoping that we will be understood,

We remain, very respectfully,

ADAMS & DIXON.

To MESSRS. HENRY, BAKER, and others.

---

## INTEREST LAWS OF IOWA.

### *An Act to regulate the Interest on Money.*

SEC. 1. Be it enacted by the General Assembly of the State of Iowa, That the rate of interest shall be six cents on the hundred, by the year, on money due by express contract, unless a different rate be expressed in writing; on all money, after the same becomes due, when there is no contract fixing the rate of interest; on judgments and decrees for the payment of money, when no other rate is expressed; on money lent, without a contract fixing the rate of interest; and on money received for the use of another, and retained beyond a reasonable time, without the owner's consent, express or implied; on money due the settlement of natural accounts, from the day when the balance is ascertained; on money due upon open account, after six months from the date of the last item; and on all money due, or to become due, when there is contract to pay interest, and no rate stipulated.

SEC. 2. Parties may agree, in writing, for the payment of interest not exceeding ten cents on the hundred by the year.

SEC. 3. Interest shall be allowed on all moneys due on judgments and decrees of any competent court or tribunal, at the rate of six per cent. per annum, unless a different rate is fixed by the contract on which the judgment or decree is rendered; in which case the judgment or decree shall draw interest at the rate expressed in the contract, but no judgment or decree shall draw more than ten per centum per annum, which rate must be expressed in the judgment or decree.

SEC. 4. No person shall, directly or indirectly, receive in money, goods or things in action, or in any other manner, any greater sum or value, for the loan of money, or upon contract founded upon any bargain, sale or loan of wares, merchandise, goods, chattels, lands and tenements, than is in this act prescribed.

SEC. 5. If it shall be ascertained in any suit brought, on any contract, that a rate of interest has been contracted for, greater than is authorized by this act, either directly or indirectly, in money, property, or other valuable thing, the same shall work a forfeiture of ten per centum per annum upon the amount of such contract, to the school fund of the county in which the suit is brought, and the plaintiff shall have judgment

for the principal sum, without either interest or costs. The court in which said suit is prosecuted shall render judgment for the amount of interest forfeited as aforesaid, against defendant, in favor of the State of Iowa, for the use of the school fund of said county, whether said suit is contested or not; and in all cases when the unlawful interest is not apparent on the contract, or writing, the person contracting to pay the unlawful interest shall be a competent witness, and prove that the contract is usurious; and in no case where unlawful interest is contracted for, shall the plaintiff have judgment for more than the principal sum, whether the unlawful interest be incorporated with the principal or not.

SEC. 6. Nothing in this act shall be construed so as to prevent the proper *bona fide* assignee of any usurious contract recovering against the usurer the full amount of the consideration paid by him for such contract, less the amount of the principal money, but the same may be recovered of such usurer, in the proper action, before any court having competent jurisdiction.

SEC. 7. So much of chapter 57, title 13, of the code, as may conflict with the provisions of this act, is hereby repealed. This act to take effect in thirty days from and after its publication in the Iowa Capital Reporter and Iowa Republican.

Passed both Houses January 12th, 1853.

## MISCELLANEOUS.

THE LATE MR. G. R. PORTER.—The *Morning Chronicle* has the following notice of this statistician, whose great work, "*The Progress of the Nation*," has made his name so well known to the whole commercial world:—

"The remains of Mr. G. R. Porter, late one of the joint secretaries of the Board of Trade, were interred yesterday at Tunbridge Wells, whither he had retired some weeks ago in hopes of recruiting his exhausted frame, then suffering from a local disease, under which he prematurely sank on Friday last. The name of Mr. Porter will long be remembered as one of the foremost among the laborers in the cause of commercial freedom. He was invited to the Board of Trade in 1832 by the late Lord Auckland, then its President, in order to organize there a new department—that of statistics—proposed first as an experiment, but at the end of two years definitively established, and at the head of which Mr. Porter was placed. It was here that he had access to those stores of information, of which, for public purposes, he knew so well how to make a profitable use, and the systematic arrangement and publication of which both tended to demonstrate the necessity of commercial reforms, of which he was the strenuous advocate, and rendered their introduction practicable and safe. In 1840, Mr. Porter was also appointed senior member of the newly constituted Railway Department of the Board of Trade. In the transaction of the laborious duties of that department, which, in 1845, when railway speculation was at its height, increased to an overwhelming extent, and especially in the preparation of the elaborate and able reports of the Board to Parliament, Mr. Porter's services were as valuable as they were energetic, and were thoroughly appreciated by Lord Dalhousie, who then so efficiently presided over the department.

On the retirement of Mr. McGregor, in 1841, Mr. Porter was appointed one of the joint secretaries to the Board of Trade, and in that capacity his thoroughly practical knowledge on all subjects of commerce and manufacture, as well as his acquaintance with the science of political economy, was of the highest importance, and, combined with his industry and attention to business, will render it difficult worthily to supply his place. It will be some consolation, under the regrets which he has left behind him, that this great mission was accomplished, and that he lived to witness the triumph of the principles to the advancement of which he had devoted his life, and which now, under the direction of a mysterious Providence, are about to receive their final communication at the hands of that party who, according to the measure of their lights, had, when in opposition, been its steady and persevering opponents. His great

work, the *Progress of the Nation*, will be a lasting monument of his industry and of his enlightened and benevolent views of commercial and social policy.

Mr. Porter's many amiable qualities, and his conduct in the social and domestications of life, were such as to gain for him the friendship and respect of all who were acquainted with him.

**UNITED STATES MINT.**—The *Philadelphia Register* states that Dr. ROBERT PATTERSON, who has for many years held important trusts connected with the United States Mint, has resigned. The editor says:

"Mr. Patterson's place was intimately associated with that of the Director, and has for a number of years practically divided the most responsible and difficult duties of that office. It is much to be regretted, that while so many posts in the institution are filled by new hands, any circumstances should have induced one, so competent in every sense as Mr. Patterson, to leave it. In these days, when the simple dogma, that to the victors belong the spoils, governs appointments to office, and partizanship outweighs all higher claim, it is a public misfortune that the haven of tried worth cannot remain in some departments of the public service. In view of the vast business of the mint, the scientific and technical nature of its operations, the government should have made it consistent with Mr. Patterson's interest to remain. He takes out of it, however, a reputation for high talents and perfect probity; and, personally, he must be the gainer by the voluntary withdrawal from a place, which is no longer secure against the periodical squabbles of needy politicians."

**SUB-TREASURY.**—The New York Sub-Treasury now contains \$10,000,000 in gold and a few hundreds in silver coin. The safe containing the coin is kept in the custom-house, and is composed of double sheets of iron, strengthened by cross-bars or lattice work of cast-steel rods, between which no instrument can cut or file. The safe is fifteen feet long, eight wide, and about as many feet high. It is divided into two apartments, in the inner one of which the money is deposited; and it has three thick iron doors, each having two locks, the keys to which are distributed at night among the different clerks, the Assistant Treasurer keeping himself the register of the principal key, so that the safe cannot be unlocked unless all are present. On the sides of the safes are tiers of boxes, capable of holding in all nine millions six hundred thousand dollars. They are now filled with coin, which is put up in bags of five thousand dollars each, except a few containing small amounts for convenience in making payments. The weight of the ten millions of gold now in custody is eighteen and three quarter tons.—*N. Y. Paper*, Sept. 24.

**SERIOUS MISTAKE BY A BANK TELLER.**—In July last, Henry Rosenthal, a commission merchant, of New York, presented a check drawn for \$9 12, on the Hanover Bank, in that city, for payment. Mr. E. P. Cobb, the Paying Teller, in the hurry of business, paid Rosenthal \$912 by mistake, instead of \$9 12. Later in the day, Mr. Cobb, in making up his accounts, discovered that there was quite a large deficiency of funds, and upon comparing the check with the check clerk, the error was at once discovered. The police were immediately sent after Rosenthal, and on his arrest he denied any connection with the matter, and said he had not drawn the money. His trunk was searched, which resulted in finding \$800 in \$100 bills, which, after some hesitation, he admitted was a portion of the money drawn upon the check, and paid to him by mistake by Mr. Cobb. His person was also searched, and upon him was found funds making in all nearly the amount drawn by him. The accused was detained for examination.

**A NATIVE PRECIOUS STONE.**—A friend showed us, this morning, an exceedingly beautiful watch seal cut from a piece of California quartz. It has as high a polish as agate, or cornelian, and exhibits three distinct colors, viz., purple, white and blue, which are blended together with the most delicate shading. But the most striking feature is the vein and dots of gold with which it is studded. Altogether it is a singularly rich and unique specimen of the lapidary's art. Its value with the mountings, is estimated at one hundred dollars. It was cut, polished, and mounted by Messrs. Barrett & Sherwood; and has every appearance of as great durability as any of the precious stones now in use as ornaments.—*San Francisco Journal*, Sept. 1.

**GOLD IN ENGLAND.**—Although the large arrivals of gold from Australia led the commercial public to hope that the present week would pass over without any advance in the rate of discount, they were doomed to disappointment. The Bank of England have made another advance—the rate at the present time being 5 per cent., exactly double the amount it was eight months ago. The course of the Directors has excited surprise—although no dissatisfaction has been expressed. So general was the opinion that no advance was contemplated, that, prior to the announcement, prices of the leading stocks both in London and here were marked by a feverish rise—as the settlement of the account had taken place the day previous, and a large deficiency of stock found to exist. Upon altering the rate of discount, the bank gave notice that their charges for advances on government during the shutting of the books would be 4½ instead of 4 per cent. The discount houses have also raised their rate of allowance for money at call to 4 per cent. The *London Times*' city article upon the recent advance says:

"The measure, so far from weakening commercial confidence, will tend greatly to its maintenance. Already the beneficial influence of the movements previously made were becoming apparent, not only in the state of the foreign exchanges, but in the more steady tone of the manufacturing districts and the approaching check to the fatal infatuation produced among the working classes by the competition for labor. To cause the full result to be speedy as well as certain, only a slight further pressure seemed essential, and an expectation may now be entertained that, in the absence of any new events of an untoward character, no further increase will be needed. It is to be presumed that in their decision the bank have still acted upon the sound rule of being guided only by the nature of the existing demand upon them, but the state of our political relations has doubtless added to the vigilance with which that demand has been watched."

**INDIANA BONDS.**—The large discrepancy in the Bond accounts of the State of Indiana, which was made the subject of comment at the State capital last winter, has been reconciled by the discovery of a box containing the missing bonds intended for cancellation, in the vaults of the bankers of the State in this city, WINSLOW, LANIER & Co. The box was left with them several years ago by a former State Treasurer, and no doubt forgotten until the personal investigation of Governor WRIGHT, who is now in New York, led to this explanation. The governor is to be congratulated on the result of his mission, as well as on the universal prosperity of the people and improving finances of the young and happy State over which he presides. No period, perhaps, could be more auspicious for respectfully calling his attention, which we now do at the request of some of the old creditors of Indiana, in this city, to the claim for reclamation which her bondholders honestly have upon the good faith and now admitted ability of the State, on the score of the involuntary composition of the public debt, under what is known as the Butler Settlement. The terms were the best that could be made at the time, but amounted to little more than semi-repudiation, inasmuch as nearly half the debt was thrown upon the chances of the Wabash and Erie Canal, and the remainder arbitrarily classified or cut down in the rate of interest. The settlement was concurred in, in the hopes of better things thereafter. It saved the honor of the State for the time being, because of the almost universal embarrassments of the country; but in this, her day of prosperity and rapid progress, something more would seem now to be due to her creditors; certainly to the extent of a re-assumption of the original obligations of State faith on the whole debt.—*N. Y. Times*.

**SILVER AT LAKE SUPERIOR.**—Hon. Truman Smith, in a letter to the *N. Y. Tribune*, announces the discovery of silver in unusually large proportion among the ores of the Lake Superior region. Mr. Smith has spent most of the summer on the lake, and has brought with him to New York, specimens of the ore and of the silver extracted. The ores found at different mines yield as follows: From the northwest mine, 56 ounces to the 100 pounds; from the Isle Royal mine, 26 ounces; and from Cliff mine, 12 ounces—a yield of four to six ounces being considered as paying all expenses of working. Mr. Smith is confident that the quantity of this valuable ore is large; but he cautions people against wild speculations, based on what he states. Stock-jobbing, he says, has been the greatest curse of Lake Superior.

**MASSACHUSETTS BANKS.**—The Bank Commissioners of this State have lately issued an order, which will probably have an important bearing on the business of some of the banks. Within four or five years past, charters have been granted for several banks to be located in towns in the vicinity of Boston. The local business of these suburban towns has not been sufficient to give these banks a run of custom of enough profit to answer their desires. To extend their business, some of them have adopted an illegal course in order to obtain customers. Instead of confiding their negotiations and business to the town in which they are situated, as provided in the Revised Statutes, offices have been opened in or near State street, and at stated hours the cashiers have been in attendance to receive deposits, pay checks, discount notes, and indeed to do all the business of the bank—a Teller being left at home to perform what local work is to be done. To such an extent has this been carried, that in the case of two or three banks, the business done in the city has been greater than that performed at home.

For years a few banks, situated remote from State street, have been allowed to perform a very limited amount of business away from their banking houses, to accommodate customers, and so long as the innovation was kept within proper bounds, and was not made a regular business, no complaint was made. Taking advantage of this leniency, two or three banks have carried the matter to extremes, and have so conducted their affairs that the Bank Commissioners last week issued a positive prohibitory order that no bank should do any business except at the banking house, and threatening an injunction on one or two banks which were disposed not to yield. Those who have only done a limited amount are not much affected, while others suffer. In the end, however, the result will be most beneficial, and will conduce both to the interests of the banks and their customers also.

**WABASH AND ERIE CANAL OPEN.**—On Thursday evening, Sept. 27, at 6 o'clock, the canal-boat *Pennsylvania*, commanded by Capt. Shard, arrived at Evansville, being the first boat brought through from the lakes to the Ohio River.

The Wabash and Erie Canal was commenced in 1832, and completed to Lafayette in 1841; to Coal Creek in 1847; to Terre Haute in 1849; to Point Commerce in 1851, and to Evansville in 1853, the first boat through arriving in that city, Sept. 22, 1853—over 21 years after the commencement of the canal.

The length of this canal in Indiana is 375 miles; and in Ohio, from the State line to Toledo, on Maumee Bay, 84 miles; thus the whole canal being 459 miles long. Its course is through the richest portions of Ohio and Indiana, and it intersects a number of other public improvements, which become more or less tributary to its usefulness.

**DEATH OF A NUMISMATIST.**—MONS. C. L. ROLLIN, died April 10, at Paris, aged 76, an eminent Numismatist.

M. Rollin was born at Versailles in 1777; and in early life saw some military service in Italy and Germany. In 1800 he established himself as a money-changer in the Palais Royal at Paris, where he continued that business until the year 1834. From the latter date he devoted himself entirely to dealing in coins, medals, and antiques. His collections were assiduously visited by the most eminent numismatists and archæologists in Europe—very frequently by the Duc de Blacas, the Duc de Luynes, the Baron Vincent, MM. Dupré, Durand, the celebrated Mionnet, Heunin, Millingen, Hauteroche, Tochon, Révil, and many other gentlemen well skilled in art, who always placed unlimited confidence in him. His conversation was always as agreeable as it was replete with sound information. Altogether, his professional reputation was perhaps more extensive than that of any other of his colleagues for the last half century. He had two sons, one of whom, M. Camille Rollin, has been for many years his partner, and has now succeeded to his business.

M. Rollin, though not the author of any separate work, contributed a few valuable papers to periodicals. One of these, published in the *Révue Numismatique* in 1841, is an elaborate view of the unpublished Gold Coins of the Emperors of Nicæa during the occupation of Constantinople by the Crusaders from 1204 to 1261.

A Collection of Greek Coins, forming the Private Cabinet of Mons. Rollin, together with some of his rare Quinarii and Aurei, and his very complete collection of medals



and jettons relating to the French Revolution, and to the history of Napoleon Bonaparte, has been sold in London by Messrs. Sotheby and Wilkinson, on the 12th of July and four following days. To the preface of the catalogue, composed by Mr. Joseph Curt, we are indebted for the foregoing particulars.

A previous sale of coins belonging to the Messrs. Rollin took place in London in the summer of 1849.

**WANT OF CONFIDENCE.**—The following well told story, by J. P. MORRIS, was published several years since, but is so opposite to the times that we again lay it before our readers. We hope business men will profit by the moral it conveys:

A little Frenchman loaned a merchant five thousand dollars when the "times were good." He called at the counting house a few years ago in a state of agitation not easily described. "How do you do?" inquired the merchant.

"Sick—ver sick," replied monsieur.

"What's the matter?"

"Detimes is de matter."

"Detimes!—what disease is that?"

"De malaide dat break all the merchants, ver much."

"Ah! the times, eh? well, they are bad, very bad, sure enough; but do they affect you?"

"Vy, monsieur, I lose de confidence."

"In whom?"

"In everybody."

"Not in me, I hope."

"Pardonnez moi, monsieur, but I do not know who to trust at present, when all de merchants break several time to pieces."

"Then I presume you want your money?"

"Oui, monsieur, I starve for want of l'argent."

"Can't you do without it?"

"No, monsieur, I must have it."

"You must?"

"Oui, monsieur," said dimity-breeches, turning pale with apprehension for the safety of his money.

"And you can't do without it?"

"No, monsieur, not von leetle moment longere."

The merchant reached his bank-book, drew a check on the bank for the amount, and handed it to his visitor.

"Vat is dis, monsieur?"

"A check for five thousand dollars, with the interest."

"Is it bon?" said the Frenchman, with amazement.

"Certainly."

"Have you l'argent in de bank?"

"Yes."

"And is it parfaitment convenient to pay de sum?"

"Undoubtedly. What astonishes you?"

"Yo, dat you got him in dees times."

"Oh, yes, and I have got plenty more. I owe nothing that I cannot pay at a moment's notice."

The Frenchman was perplexed.

"Monsieur, you shall do me one leetle favor, eh?"

"With all my heart."

"Vell, monsieur, you shall keep de l'argent for one leetle year longere."

"Why, I thought you wanted it?"

"Tout au contraire. I no want de l'argent—I want de grand confidence. Suppose you no got de money; den I vant him ver much—suppose you got him; den I no want him at all. Vous comprenez, eh?"

After some other conference, the little Frenchman prevailed upon the merchant to retain the money, and left the counting house with a light heart, and a countenance very different from the one he wore when he entered. His confidence was restored, and although he did not stand in need of the money, he wished to know that his property was in safe hands.

## BANK ITEMS.

**NEW YORK.**—Thomas L. Taylor, Esq., Cashier of the Atlantic Bank, N. Y., has been elected Cashier of the Hanover Bank, New York. Mr. Taylor is succeeded by George D. Arthur, Esq. Mr. Bassett, recently Cashier of the Hanover Bank, returns to Taunton, as Cashier of the Taunton Bank.

**Glen's Falls.**—The Commercial Bank of Glen's Falls has commenced business with a capital of \$150,000. President, William McDonald, Esq.; Cashier, Josiah Scott, Esq., for some years Cashier of the Bank of Vergennes, Vermont.

**Hamilton.**—The Hamilton Bank, at Hamilton Village, has commenced business with a capital of \$110,000. President, Adon Smith, Esq.; Cashier, D. B. West, Esq.

**Utica.**—The Oneida County Bank commenced business at Utica on the 12th of September, with a capital of \$125,000. President, J. B. Cary, Esq.; Cashier, J. R. Noyes, Esq.

**Buffalo.**—The Queen City Bank commenced business at Buffalo with a capital of \$51,000. President, D. S. Bennett, Esq.; Cashier, Moses Smith, Esq.

**Salem.**—The Bank of Salem, (Washington County, New York,) commenced business in July last, with a capital of \$110,000. President, B. Blair, Esq.; Cashier, B. F. Bancroft, Esq.

**Ogdensburgh.**—The Judson Bank has commenced business at Ogdensburgh with a capital of \$80,000. President, John D. Judson, Esq.; Cashier, Daniel Judson, Esq.

**Canajoharie.**—The Spraker Bank, at Canajoharie, commenced business some weeks since with a capital of \$100,000. James Spraker, Esq., President; W. Moyer, Esq., Cashier.

**VERMONT.**—Josiah Scott, Esq., having resigned the cashiership of the Bank of Vergennes, has been succeeded by Joseph D. Atwell, Esq.

**MASSACHUSETTS.**—James Sivret, Esq., Discount Clerk, has been appointed Cashier of the State Bank, at Boston, in place of George Atkinson, Esq.

**Boston.**—The Merchants' Bank, Boston, has been authorized to increase its capital from \$3,000,000 to \$5,000,000. Of the increased sum, one million of dollars has been paid in, making the active capital at present four millions of dollars.

**Boston.**—At a meeting of the stockholders of the Boston Bank, on the 6th of October, Charles Hosmer, Esq., was chosen a director of that institution, in place of the late Robert G. Shaw, Esq., and George R. Minot, Esq., in place of Samuel Cabot, Esq., who has resigned, after a service of 29 years. Messrs. Nathan Appleton and Josiah Bradley continue active members of the board; the former was first chosen in 1812, and the latter in 1813, and they have been annually re-elected to the present time.

**North Bank.**—The act authorizing the additional sum of \$150,000 to the capital of the North Bank was not accepted. The capital is therefore only \$750,000, instead of \$900,000, as mentioned on page 412.

**Taunton.**—Theodore Dean, Esq., has been chosen President of the Bristol County Bank, Taunton, in place of Nahum Stetson, Esq., resigned. The additional capital of \$50,000, authorized to the bank, has been paid in, making the present capital \$250,000.

**Worcester.**—J. S. Farnum, Esq., of the Millbury Bank, has been elected Cashier of the Quinsigamond Bank, in place of Charles A. Hamilton, who has accepted the appointment of Treasurer of the Worcester County Savings Institution. Samuel Jennison, Esq., has resigned the latter position, after holding the office twenty-six years.

**Roxbury.**—The Rockland Bank, in Roxbury, commenced business on Wednesday, October 19th. President, Samuel Walker, Esq.; Cashier, Samuel Little, Esq.

**CONNECTICUT.**—A. G. Hammond, Esq., Cashier of the Franklin County Bank, Greenfield, has been appointed Cashier of the Hartford Bank.

**LOUISIANA.**—*New Orleans.* The following are the officers of the Citizens' Bank of New Orleans:—President, James D. Denegre, Esq.; Cashier, Eugene Rousseau, Esq.; Directors, A. B. Roman, J. A. Braud, John G. Gaines, Logan McKnight, R. W. Adams. The capital of the mortgage stock department is \$6,200,000, and that of the banking department is \$1,500,000.

**THE BANK OF NEW ORLEANS.**—This institution will commence operations to-morrow, under the most favorable circumstances. Its stockholders comprise our active business men, numbering some three hundred and fifty or four hundred of our substantial go-ahead citizens, who will prove to be the very best customers of a bank. The banking-house, in its location, appurtenances, fixtures, etc., is every thing that can be desired. Central in its position, and so arranged as to furnish every facility of accommodation, both to officers and customers, it will make itself a popular institution. All the modern improvements in the strongholds, with every kind of safety-locks, defying burglars, however ingenious, and the elements themselves, have been put in use; and in the spacious vaults, room has been provided for the accommodation of depositors of articles for safe keeping, of precious value. There is nothing lacking in all the preparatory externals of the bank; and with its admirable organization, chartered privileges and influential stockholders, it is bound to rank number one among our banking institutions, which are acknowledged to be, in credit and stability, equal to any in the Union.—*N. O. Commercial Bulletin*, Sept. 30.

**THE BANK OF NEW ORLEANS.**—The pioneer institution of free banking,—the Bank of New Orleans,—commenced operations yesterday. As a proof of the public confidence, we would state that the deposits made before 3 o'clock, were over *one million one hundred and fifty thousand dollars*. When we take into consideration the late epidemic, the fact that very little of our great staple, cotton, has yet been received, the present stringency of the money market, and that at least two thirds of the stockholders are out of the city, the deposits on the first day of the bank's commencing operations, amounting to over a million of dollars, are certainly extraordinary, and evince a gratifying confidence in free banking and in the managers of the pioneer of the system.—*N. O. Picayune*, October 3.

**BANKS IN THE DISTRICT OF COLUMBIA.**—The Washington National Intelligencer thus speaks of Dye's Bank Note Mirror:

We are in receipt of a semi-monthly publication from Cincinnati, entitled "Dye's Bank Mirror and Counterfeit Detector," of date September 15th, 1853, which, in all that it says respecting the Banks of the District of Columbia, is so absurdly wrong, that we can account for the fact only by assuming that the editor has been hoaxed by some designing or mischievous correspondent. For instance, it quotes the rate of Northern discount on the notes of our old established and reliable banks, viz.: the Bank of Metropolis, Bank of Washington, Patriotic Bank, Farmers and Mechanics' Bank of Georgetown, and the more recent but respectable institution, the Bank of Commerce, at Georgetown, at *two per cent.*, while the imaginary establishments of whose successive meteoric passages we have from time to time apprised the public, as the *Bank of America*, *National Bank*, &c., stand honored with a mere *one per cent.* assigned to their fancy names. Other entries and statements are made, of which knowing nothing, we can say nothing more than that we have no confidence in them whatever.

The Intelligencer gives the following list of banks in good repute in the District:

The Bank of the Metropolis; Bank of Washington; Patriotic Bank; Farmers and Mechanics' Bank of Georgetown; Bank of Commerce in Georgetown, and Exchange Bank of Seldon, Withers & Co. Besides these, a considerable portion of our small note currency is composed of one and two dollar issues of the Corporation of Georgetown, taken at *par* in all ordinary transactions. No notes are issued by the Corporation of Washington.

**THE EASTERN BANK.**—The Receivers of the Eastern Bank made their formal report to the Supreme Court, held by Judge Storrs, at Brooklyn, last week. No definite action was taken upon the report, for the reason that parties whose claims were disallowed by the receivers were entitled to a hearing, which they are to have at the January court, before Judge Wait. The present state of the bank is briefly as follows:

<i>Liabilities.</i>		<i>Resources.</i>	
Bills presented.....	29,547 00	Cash in hand.....	23,790 50
Deposits.....	985 55	Unpaid notes, good.....	1,725 00
Claims on book.....	1,150 56	“ “ doubtful.....	20,142 45
Stockholders .....	12,860 00	Rail-Road Bonds.....	40,000 00
		Unpaid interest on same....	2,625 00
	<hr/> \$44,548 11		<hr/> \$88,282 95

This does not take into account the expenses of settling, nor an unsettled balance on account of the bonus due the State, the precise amount of which cannot at present be known.

It will be seen that of \$111,924 bills in circulation at the time of the suspension of the bank, only \$29,547 were presented to the receivers before the expiration of the limitation fixed by the court for the presentation of claims, leaving \$82,377 outstanding, of which there is no account. A large amount of this is in hands of the Rail-Road Co. whose bonds are in possession of the bank.

The doubtful paper unpaid consists of acceptances, of which W. E. Chittenden is responsible.

The rail-road bonds are those of the Rock River Valley Union Co., of Wisconsin, of undetermined value.

It is sufficient to say, without at this time going into any further explanation, that the funds now in the hands of the receivers are supposed to be amply sufficient to discharge in full every claim which has been proved against the bank up to this time.—*Norwich Aurora.*

**BANK TAXATION.**—On the 26th day of March last, Geo. C. Dodge, Treasurer of the County of Cuyahoga, distrained for taxes assessed against the Commercial Bank, the Merchants' Bank, the Canal Bank, and the City Bank, in Cleveland, bank bills to the amount of \$38,981, and deposited them for safe keeping in the vault of the Cleveland Insurance Company.

At about the hour of ten o'clock the same evening, the United States Deputy Marshal, accompanied by a "posse" of bank presidents, cashiers and attorneys, effected an entrance into the office of the Insurance Company and seized the several packages of bank bills, thus deposited by Mr. Dodge, under a writ of replevin issued by the Deputy Clerk of the United States Circuit Court, who had been brought to Cleveland for the purpose. The nominal plaintiff in this replevin suit was John G. Deshler, of Buffalo, New York, who pretended to claim the bank bills under a bill of sale on assignment made to him by the several banks after the same had been seized and taken away from their vaults by the County Treasurer. The bank bills were put into the possession of Deshler, he giving bail as the law requires to prosecute his suit to effect.

In this posture of affairs, the Treasurer, Mr. Dodge, called to his aid Judge Spalding, who is now practising law in the city of Cleveland. This gentleman, upon examination, advised that exceptions be taken to the jurisdiction of the United States Court in the matter, for the reason that the 11th section of the Judiciary Act of 1789 provides, that "no assignees of a chose in action can bring a suit in the Federal courts, unless as between his assignor and the defendant, the court has jurisdiction." As the banks themselves could not bring the action, so, as a necessary consequence, was Mr. Deshler under disability.

The plea to the jurisdiction was filed by Mr. Spalding. The counsel for Mr. Deshler demurred to the plea.

After full argument and mature consideration, Judge McClean pronounced the opinion of the court, that *the plea to the jurisdiction was well taken*, and the suit was ordered to be dismissed. The bankers say they will take the question to the United States Supreme Court at Washington. *They have the right to do so.*—*Columbus (O.) Statesman.*

## Notes on the Money Market.

NEW-YORK, OCTOBER 29, 1853.

*Exchange on London, at sixty days' sight, 9½ @ 9½ premium.*

THE money market for September closed with a stringency that had not been felt for many months, and with commercial paper of the first class selling at 10 a 12 per cent. Since the first of the present month the stringency has gradually increased until now, and our commercial friends are subjected to very severe rates in the negotiation of time paper and in obtaining loans of any description.

At the bill brokers' the minimum rate for the best commercial paper is twelve per cent. We are informed that nothing can be done at less than this. For prime paper we quote 12 to 15 per cent., and for second rate paper 18 to 24 per cent.

As an index of the diminished business doing among the banks, it is shown that the clearings to-day were only \$15,795,000, being the smallest sum since the Clearing House was opened. The amounts during the week range from \$16,000,000 to \$17,226,000, except Monday, when the sum was \$22,925,000. Monday is always the heaviest day for exchanges, as Saturday includes the payments of two days.

We furnish, in another portion of this number, a tabular view of the condition of the New York City banks for each week since the first of August. This exhibit indicates a decrease of loans to the extent of fourteen millions, (or about fourteen per cent.,) in the short space of twelve weeks. That this contraction has gone on without producing any large number of failures in the city is a strong proof of the stability of our merchants.

The only failure of any importance during the month was that of Mr. Simeon Draper, on the 11th instant. His suspension is attributed to large advances on rail-road securities which could not be readily refunded. The suspension of Messrs. Jacob Little & Co., stock brokers, was announced on the 19th instant, the result of which was a forced sale of 5,000 shares of Delaware and Hudson Canal shares. The price yielded was from 101¼ to 102¼, against 180, which was the cost price of the shares.

The scarcity of money in our own market has diminished the ability of the banks and private bankers to furnish accommodation to their Southern and Western correspondents. Hitherto, remittances of time paper from the interior were readily discounted at this point, thus creating abundant exchange and additional facilities among the country banks. This source of supply being exhausted, the latter have been compelled to draw closely upon their cash balances held here, and this has still further diminished the resources of the city banks and their ability to aid their own customers.

The scarcity of money in this city is produced by two causes, one foreign and the other local. The demand for coin for Europe has restricted the movements of the banks for some months past. In addition to this, the workings of the new law requiring the publication of weekly statements by the banks, show that each institution is put on the defensive, and feels compelled, in deference to public sentiment and in order to maintain public confidence, to make as good a show as possible. The result is therefore as follows:

1853.	Loans.	Specie.	Circulation.	Deposits.
June 11, . . . . .	\$95,520,000	\$12,174,000	\$9,084,000	\$59,078,000
August 6, . . . . .	97,899,000	9,746,000	9,510,000	60,994,000
October 29, . . . . .	88,400,000	10,866,000	9,800,000	58,385,000

The increased number of banking institutions in the city has not added to the banking accommodation to the community. On the contrary, the capital being divided among fifty-six, instead of forty-five or fifty institutions, the effective force of each is lessened.

The Clearing House, which went into operation on the 8d inst., lessens still further the ability of the banks to aid their customers. Formerly the balances were settled once a week, and many of the banks felt authorized to discount to the amount of their receipts for the coming week. This cannot be done now. Each day must take care of itself, and the daily settlements between the banks compels each to be more cautious in its movements.

While the present result is serious inconvenience to our merchants, the eventual consequence will inevitably be a more uniform action on the part of the banks, less expansive, less contractive, and greater strength in each.

We observe that there is a further charge for collecting on the South and West. The following are the lowest rates for collecting on prominent points:

New Orleans, . . . . .	par.	St. Louis, . . . . .	$\frac{1}{2}$
Mobile, . . . . .	par.	Pittsburgh, . . . . .	$\frac{1}{2}$
Charleston, . . . . .	$\frac{1}{2}$	Louisville, . . . . .	$\frac{1}{2}$
Savannah, . . . . .	$\frac{1}{2}$	Memphis, . . . . .	$\frac{1}{2}$
Cincinnati, . . . . .	$\frac{1}{2}$	Detroit, . . . . .	$\frac{1}{2}$
Cleveland, . . . . .	$\frac{1}{2}$	Chicago, . . . . .	$\frac{1}{2}$
Vicksburg, . . . . .	$\frac{1}{2}$	Richmond, Va., . . . . .	1

The terms for uncurrent money have also advanced.

We have further advices from London, including dates to Friday, the 14th inst. In the absence of any positive information as to a state of war, the money markets of England and the continent are more unsettled. The great activity, we may say speculation, that has prevailed in trade, and among the manufacturing districts, has created large demands upon the active capital of Western Europe. On the continent the market value of money is rising rapidly. It seems that the Bank of France on the 6th instant raised the value of discount from three per cent., which prevailed for many months past, to 4 per cent. It is also stated that the banking institutions of Prussia, Sardinia and Warsaw, have increased their rates one per cent., and similar measures will be adopted by the national banks of other continental states. This simultaneous movement shows not only that money is more in demand throughout those countries, but that their markets are in sympathy with that of London, which may be said to give a tone to the whole.

English Three per cent. Consols had fallen during the week to 90 $\frac{1}{2}$ , a lower price than had been known for some years. The quotations improved on the 6th and 7th, with sales at 92 a 92 $\frac{1}{2}$ .

The reduction in coin and bullion since the first week in July, is fully equal to *thirteen millions of dollars*. The demand for export to the continent has been steady, and the heavy arrivals from Australia, and from the Pacific, are more than counterbalanced by the foreign export. For the first time, we believe, the bank makes return of no silver bullion. The loans are larger now than in July, notwithstanding the loss in gold and silver.

The bank has adopted such measures as will essentially contribute to a restoration of the exchanges in favor of England.

The Assistant Treasurer at New York has issued the following circular:

The Secretary of the Treasury, with a view to the accommodation of the business community of New York, has placed to the credit of the undersigned at the mint in Philadelphia, the sum of two hundred thousand dollars in new silver coin, for the purpose of introducing it into circulation. The undersigned, on receiving from any bank in this city the sum of two thousand dollars in gold, will give his check for the same amount payable in silver coin by the Assistant Treasurer of the United States at the mint in Philadelphia.

JOHN A. DIX, Sub-Treasurer, U. S.

The only loan of any importance during the month was that of \$500,000 in six per cent. bonds of the State of North Carolina, at a premium of 8 per cent. It is understood that the loan has been awarded to FRANCIS S. LYON, Commissioner of Alabama, who takes these bonds as an investment of the funds of the State Bank of Alabama, held in trust for the debt of the State, due in 1883, so that the bonds will not come on the market in ten years. This bank has been in process of liquidation for some years. Mr. Lyon's bid was for the whole or none. There were several offers of small sums at 104, 105, and 106, and 175,000 was offered at 108 and 108 $\frac{1}{2}$ , but Mr. Lyon's was the best offer as a whole.

The depression in Stocks during the month has been very great, and still continues. Erie Railroad shares, which a few weeks since were firm at 86 a 89, are now down to 70 a 71. Railroad loans and stocks, coal company stocks, and all other classes of securities, are reduced in market values.

We observe the same condition in the stock markets of Boston, Philadelphia and Baltimore.

The exports of coin for the first ten months of the present year have been as follows, from this port:

January, . . . . .	\$747,679	June, . . . . .	\$3,264,252
February, . . . . .	1,121,030	July, . . . . .	8,924,612
March, . . . . .	592,479	August, . . . . .	1,183,973
April, . . . . .	767,065	September, . . . . .	1,244,193
May, . . . . .	2,162,467	October, . . . . .	4,767,974

The demand for coin for Europe is much augmented by the heavy imports of dry goods at this port.

The month of September showed a large increase as compared with the same month of last year, viz.: \$8,652,000 in 1853, against \$5,135,000 in 1852, an increase of about 66 per cent.

For the month of October, 1853, we show \$4,650,000 thrown upon the market, against \$3,647,000 for October, 1852, an increase of about 28 per cent.

For the whole period of ten months, the whole values thrown upon the market this year are \$81,579,960, against \$54,818,825, an increase of about fifty per cent.

These figures are useful as matters of reference, in demonstrating, as they do most forcibly, that the foreign dry goods trade of the city is the main source of the difficulties prevailing in our money market.

The foreign dry goods trade of the country should increase only in the same ratio with other imports. No other department of trade on a large scale can show such a vast increase as this for the current year, when compared with the business of 1852. A few years since, the foreign hardware sold here was fully nine tenths of the gross sales of hardware in this city. Now we are told that the proportion of foreign hardware is only about one half. But the foreign dry goods trade, the heaviest in the market, is increasing to an alarming extent, and is gradually draining the country of large portions of its wealth. It is in payment of valuable cargoes of silks and woollens that our gold is now going out at the rate of twenty-five or thirty millions per year.

Our packet ships and steamers on their homeward trips are crowded with costly and extravagant goods, which supersede largely the domestic. We could safely and conveniently pay for fifty-four millions in value as imported in 1852, but to increase it, in one year only, to eighty-one millions of dollars, will not only cramp our own market, but gradually disturb that of the whole country.

*A Comparative Table, showing the Importation of Dry Goods at the Port of New York during the first ten months up to November, in each of the last three years.*

ENTERED FOR CONSUMPTION.			
	1851.	1852.	1853.
Manufacture of Wool, . . . .	\$12,382,696	\$18,156,668	\$23,183,106
do. Cotton, . . . .	8,677,588	8,294,133	12,796,250
do. Silk, . . . .	20,576,118	18,337,561	29,202,486
do. Flax, . . . .	5,484,990	5,104,736	6,822,058
Miscellaneous Dry Goods, . . . .	8,282,912	8,644,199	4,529,854
Total, . . . .	\$50,854,244	\$48,627,317	\$76,533,704
WITHDRAWN FROM WAREHOUSE.			
	1851.	1852.	1853.
Manufacture of Wool, . . . .	\$1,866,937	\$1,517,239	\$1,954,599
do. Cotton, . . . .	1,265,599	1,819,801	981,618
do. Silk, . . . .	1,870,861	1,779,738	1,227,840
do. Flax, . . . .	561,511	745,126	231,673
Miscellaneous Dry Goods, . . . .	884,705	829,109	800,326
Total, . . . .	\$5,469,118	\$5,691,008	\$4,646,256
Add entered for Con. . . . .	50,854,244	48,627,317	76,533,704
Total on market, . . . .	\$55,823,857	\$54,818,825	\$81,479,960

#### DEATHS.

In New York City, on Tuesday, October 4th, in the sixty-second year of his age, HON. JAMES GORE KING, senior member of the banking firm of James G. King & Sons.

In Philadelphia, Thursday, October 6th, aged fifty-four years, JACOB M. THOMAS, Esq., President of the Commercial Bank of Pennsylvania.

At Circleville, Ohio, Monday, October 17th, HORL LAWRENCE, Esq., aged sixty-five years, Cashier of the Bank of Circleville from its commencement, in 1834, until his death.

THE  
BANKERS' MAGAZINE,  
AND  
Statistical Register.

VOL. III. NEW SERIES. DECEMBER, 1853.

No. VI.

THE NEW YORK CLEARING HOUSE.

THE Clearing House went into operation on Tuesday, October 11th, at 9½ o'clock, in the basement of No. 14 Wall-street. The representatives of the various banks were in attendance punctually, for the exchange of checks and bank bills. At one o'clock, or soon after, the porters returned with *cash* in hand, to discharge balances due by them, and the others were in attendance to receive balances *due to them*, the aggregate of balances due by all being precisely equal to the balances due to all.

The system will have the effect to economise time and labor on the part of the banks that come into the measure.

It has had another effect, which was not fully anticipated, viz.: It has been the means of curtailing further the loans of the banks. The curtailment already made since August 6th is more than fifteen millions of dollars. Notwithstanding the publication of the weekly reports, and the necessity felt by nearly all of the banks in showing themselves as strong as possible, the plan of daily payments of balances between the banks had not been strictly adhered to. Many have deferred until Friday the settlements, in order to avoid much unnecessary transportation of coin. Now the case is different. No indulgence is granted. Bank A. does not indulge Bank B. or C. for three or four days in discharge of balances due. All balances must be settled each day at a fixed hour.



It is understood that for some years past, in this city, the banks were in the practice of discounting to the amount of their receipts for the coming three days. A bank would on Tuesday, as a discount day, sum up its *receivables* due on Tuesday, Wednesday and Thursday, and feel authorized to discount that sum, or near it. This will not be done so freely now. The discounts of Tuesday will be considered as cash on that day, and cannot be immediately compensated by the payments of Wednesday and Thursday.

#### NEW YORK CLEARING HOUSE.

Amount of receipts from October 11 to November 21, inclusive,.....	\$688,131,009
Receipts for week ending November 21,.....	110,396,450
Balances received and paid from October 11 to November 21, inclusive,	36,112,014
Balances for week ending November 21,.....	5,413,144

The Bank of America was selected as the depository for coin, under the plan adopted in September, and the following is the certificate which is now issued by that bank to the clearing members :

#### BANK OF AMERICA.

No.——

New York,——185

*This certifies, That the———has deposited in this bank FIVE THOUSAND DOLLARS, in coin, to be held in trust as a special deposit, payable in coin, on demand, to any of the following associated banks only, viz :*

Bank of New York,	Seventh Ward Bank,	Knickerbocker Bank,
Manhattan Bank,	Bank of State of New York,	Grocer's Bank,
Merchants' Bank,	American Exchange Bank,	Empire City Bank,
Mechanics' Bank,	Mechanics' Banking Association,	Nassau Bank,
Union Bank,	Bank of Commerce,	East River Bank,
Bank of America,	Bowery Bank,	Market Bank,
Phoenix Bank,	Broadway Bank,	St. Nicholas Bank,
City Bank,	Ocean Bank,	Shoe and Leather Bank,
North River Bank,	Mercantile Bank,	Corn Exchange Bank,
Tradesmen's Bank,	Pacific Bank,	Central Bank,
Fulton Bank,	Bank of Republic,	Continental Bank,
Chemical Bank,	Chatham Bank,	Bank of the Commonwealth,
Merchants' Exchange Bank,	People's Bank,	Oriental Bank,
National Bank,	Bank of North America,	Marine Bank,
Butchers and Drovers' Bank,	Hanover Bank,	Bank of the Union,
Mechanics and Traders' Bank,	Irving Bank,	Atlantic Bank,
Greenwich Bank,	Metropolitan Bank,	
Leather Manufacturers' Bank,	Citizens' Bank,	

On presentation of this certificate, endorsed by the bank demanding payment of the same.

\$5,000 \_\_\_\_\_, Teller.

\_\_\_\_\_, Cashier.

In order to show the combined effects of the law for the publication of weekly returns and the operation of the newly adopted Clearing House, we annex a tabular view of the loans, specie, circulation and deposits of

the banks in this city, for each week from August 6th to this date; preceded by similar tables at several previous dates.

*Table of Weekly Averages of the New York City Banks.*

	<i>Loans.</i>	<i>Specie.</i>	<i>Circulation.</i>	<i>Deposits.</i>
Sept., 1849, . . . . .	\$51,079,220	\$8,022,250	\$5,990,100	\$28,551,092
Sept., 1850, . . . . .	62,886,522	9,056,185	6,095,010	37,230,880
Sept., 1851, . . . . .	65,426,358	6,082,468	7,376,114	36,957,870
Sept., 1852, . . . . .	88,815,464	8,702,895	8,678,664	50,216,410
Feb. 26, '53, . . . . .	95,274,876	8,991,680	9,274,025	57,556,507
June 11, '53, . . . . .	95,520,656	12,174,509	9,084,108	59,078,171
Aug. 6, '53, . . . . .	97,899,617	9,746,452	9,510,465	60,994,568
Aug. 13, '53, . . . . .	95,562,277	10,654,618	9,451,945	58,166,712
Aug. 20, '53, . . . . .	93,866,970	11,092,552	9,414,696	57,817,218
Aug. 27, '53, . . . . .	92,886,954	11,819,049	9,427,191	57,481,806
Sept. 3, '53, . . . . .	91,741,838	11,368,049	9,554,294	57,502,970
Sept. 10, '53, . . . . .	91,108,347	11,880,693	9,597,336	57,545,164
Sept. 17, '53, . . . . .	90,190,539	11,860,235	9,566,722	57,612,801
Sept. 24, '53, . . . . .	90,092,765	11,340,925	9,477,541	58,312,834
Oct. 1, '53, . . . . .	90,149,540	11,231,912	9,521,665	57,968,661
Oct. 8, '53, . . . . .	89,123,998	10,866,602	9,678,458	57,985,760
Oct. 15, '53, . . . . .	87,837,278	11,880,173	9,464,714	59,068,674
Oct. 22, '53, . . . . .	85,867,981	10,808,264	9,888,548	55,748,729
Oct. 29, '53, . . . . .	83,400,821	10,866,673	9,800,350	58,385,408
Nov. 5, '53, . . . . .	82,092,680	11,771,880	9,492,168	55,500,977
Nov. 12, '53, . . . . .	82,892,409	12,828,575	9,237,629	56,201,007
Nov. 19, '53, . . . . .	83,717,622	13,691,824	9,151,448	57,466,424

We further illustrate these fluctuations by a comparative table of the specie held at various dates by the banks and by the sub-treasury in this city.

1853.	<i>New York Sub-Treasury.</i>	<i>Banks.</i>	<i>Total Coin.</i>
Feb. 26, . . . . .	\$5,279,000	\$3,991,000	\$14,270,000
June 11, . . . . .	7,546,000	12,174,000	19,720,000
August 6, . . . . .	8,406,000	9,746,000	18,152,000
" 13, . . . . .	8,550,000	10,654,000	19,204,000
" 20, . . . . .	8,401,000	11,092,000	19,493,000
" 27, . . . . .	8,991,000	11,819,000	20,810,000
Sept. 3, . . . . .	9,079,000	11,368,000	20,447,000
Sept. 10, . . . . .	8,907,000	11,880,000	20,787,000
Sept. 17, . . . . .	9,325,900	11,860,200	21,186,100
Sept. 24, . . . . .	10,189,800	11,340,900	21,530,700
Oct. 1, . . . . .	9,726,400	11,231,900	20,958,300
Oct. 8, . . . . .	9,899,400	10,866,600	20,766,000
Oct. 15, . . . . .	8,562,200	11,880,100	20,442,300
Oct. 22, . . . . .	8,124,000	10,808,200	18,932,200
Oct. 29, . . . . .	7,624,300	10,866,600	18,490,900
Nov. 5, . . . . .	6,408,600	11,771,800	18,180,400
Nov. 12, . . . . .	6,146,900	12,828,500	18,975,400
" 19, . . . . .	5,694,900	13,691,800	19,386,700

The depletion of the sub-treasury has been mainly in consequence of large amounts of the public debt that have been absorbed during the current year.

The proportion of coin held by each bank for the week ending November 12th, as compared with the aggregate circulation and deposits, was as follows :

	<i>Per Cent.</i>		<i>Per Cent.</i>
American Exchange Bank, . . . . .	18.26	Knickerbocker Bank, . . . . .	13.75
Atlantic Bank, . . . . .	10.77	Leather Manufacturers' Bank, . . . . .	14.78
Bank of America, . . . . .	34.54	Manhattan Bank, . . . . .	23.56
Bank of Commerce, . . . . .	29.61	Marine Bank, . . . . .	5.90
Bank of the Commonwealth, . . . . .	11.19	Market Bank, . . . . .	10.40
Bank of New York, . . . . .	28.13	Mechanics' Bank, . . . . .	28.48
Bank of North America, . . . . .	7.55	Mechanics' Banking Association, . . . . .	7.73
Bank of the State of New York, . . . . .	22.48	Mechanics and Traders' Bank, . . . . .	9.78
Bank of the Union, . . . . .	18.41	Mercantile Bank, . . . . .	18.94
Bank of the Republic, . . . . .	17.00	Merchants' Bank, . . . . .	37.81
Bowery Bank, . . . . .	5.07	Merchants' Exchange Bank, . . . . .	9.00
Broadway Bank, . . . . .	5.72	Metropolitan Bank, . . . . .	81.00
Butchers and Drovers' Bank, . . . . .	16.84	National Bank, . . . . .	26.65
Central Bank, . . . . .	7.26	Nassau Bank, . . . . .	7.38
Chatham Bank, . . . . .	4.76	North River Bank, . . . . .	11.84
Chemical Bank, . . . . .	25.16	New York Dry Dock Bank, . . . . .	14.81
Citizens' Bank, . . . . .	5.44	New York Exchange Bank, . . . . .	5.49
City Bank, . . . . .	18.14	Ocean Bank, . . . . .	9.65
Continental Bank, . . . . .	18.50	Oriental Bank, . . . . .	12.40
Corn Exchange Bank, . . . . .	14.36	Pacific Bank, . . . . .	6.50
East River Bank, . . . . .	9.90	People's Bank, . . . . .	6.64
Empire City Bank, . . . . .	9.79	Phoenix Bank, . . . . .	80.91
Fulton Bank, . . . . .	25.22	Seventh Ward Bank, . . . . .	18.34
Greenwich Bank, . . . . .	4.76	Shoe and Leather Bank, . . . . .	9.02
Grocers' Bank, . . . . .	7.95	St. Nicholas Bank, . . . . .	8.42
Hanover Bank, . . . . .	21.85	Suffolk Bank, . . . . .	6.76
Irving Bank, . . . . .	5.20	Tradesmen's Bank, . . . . .	13.87
Island City Bank, . . . . .	16.10	Union Bank, . . . . .	18.60

The aggregate movement of the Clearing House for the first six weeks was as follows :

<i>Week ending</i>	<i>Total Clearings.</i>	<i>Balances Paid.</i>
October 17, . . . . .	\$129,799,053	\$7,189,291
" 24, . . . . .	117,871,196	6,901,057
" 31, . . . . .	105,626,544	6,065,926
Nov. 7, . . . . .	115,556,121	5,729,673
" 14, . . . . .	109,880,644	5,572,922
" 21, . . . . .	110,896,450	5,418,144

George D. Lyman, Esq., for some years receiving teller of the Bank of North America, in this city, was duly chosen by the executive committee as manager of the Clearing House. On the 21st of November, it was decided by the committee, that the hour of meeting thereafter should be at 10 o'clock, A. M., instead of 9½ o'clock.

The Clearing House will probably be the means of introducing better arrangements for the distribution of bank notices, sight bills, &c. This labor on the part of the banks is at present very great; but by a combined movement it could be discharged by six or eight persons, instead of more than fifty, as now employed.

## BANK STATISTICS.

For comparative tables of the Bank of Virginia, Farmers' Bank of Virginia, Exchange Bank of Virginia, Merchants and Mechanics' Bank, Bank of the Valley, North Western Bank, Bank of the Old Dominion, Manufacturers and Farmers' Bank, refer to last vol. Bankers' Magazine, pp. 172, 242, 479, 491, 588, 636, 653, 742, 842, 858, and November No., 1853, p. 880.

*Farmers' Bank of Virginia and Branches.*

LIABILITIES.	Oct., 1847.	Jan., 1849.	July, 1850.	July, 1851.	Oct. 1, 1853.
Capital, . . . . .	\$2,978,700	\$2,951,800	\$3,000,900	\$3,000,900	\$3,100,900
Circulation, . . . . .	2,943,674	2,940,186	2,543,487	2,443,890	2,064,854
Individual deposits, . . . . .	1,115,440	1,243,140	1,640,848	1,684,600	1,898,606
Surplus fund, . . . . .	263,160	308,847	237,190	296,484	358,366
Profits, . . . . .	90,124	142,735	148,760	157,390	109,246
In transit, . . . . .	35,533	33,692	43,645	37,838	20,995
Due other Banks, . . . . .	...	...	...	...	131,678
<b>Total liabilities, . . . . .</b>	<b>\$7,436,636</b>	<b>\$6,948,350</b>	<b>\$7,664,710</b>	<b>\$7,625,512</b>	<b>\$8,679,639</b>
RESOURCES.	Oct., 1847.	Jan., 1849.	July, 1850.	July, 1851.	Oct. 1, 1853.
Loans, . . . . .	\$5,868,086	\$5,647,070	\$5,750,395	\$5,923,470	\$7,121,334
Sterling bills, . . . . .	45,000	9,795	15,981	16,143	13,558
Stocks, . . . . .	253,407	163,938	45,012	73,573	49,546
Specie, . . . . .	990,333	697,228	835,325	960,592	960,440
Notes of other banks, . . . . .	231,298	146,993	326,348	206,333	333,424
Bank balances, . . . . .	302,644	43,154	413,666	90,783	...
Real estate, . . . . .	240,713	230,630	202,533	199,474	196,333
Loans to Commonwealth, . . . . .	...	...	75,000	155,200	...
<b>Total resources, . . . . .</b>	<b>\$7,426,636</b>	<b>\$6,948,350</b>	<b>\$7,664,710</b>	<b>\$7,625,512</b>	<b>\$8,679,639</b>

*Bank of the Valley and Branches.*

LIABILITIES.	Jan., 1845.	Oct., 1846.	Oct., 1847.	July 1, 1852.	July 1, 1853.
Capital, . . . . .	\$1,079,000	\$1,079,000	\$1,100,000	\$1,100,000	\$1,202,500
Circulation, . . . . .	973,291	919,654	1,364,326	1,263,350	2,013,543
Bank balances, . . . . .	32,787	21,946	43,565	37,563	102,272
Discounts, . . . . .	45,330	32,664	23,620	60,323	6,546
Contingent fund, . . . . .	57,630	57,618	59,560	98,371*	171,363
Individual deposits, . . . . .	211,694	256,365	367,618	423,109	592,373
<b>Total liabilities, . . . . .</b>	<b>\$2,399,732</b>	<b>\$2,367,247</b>	<b>\$3,968,639</b>	<b>\$2,984,021</b>	<b>\$4,089,303</b>
RESOURCES.	Jan., 1845.	Oct., 1846.	Oct., 1847.	July, 1852.	July 1, 1853.
Notes discounted, . . . . .	\$1,571,132	\$1,606,608	\$1,621,513	\$1,736,450	\$2,179,407
Inland bills, . . . . .	77,561	152,433	143,294	206,021	214,000
Bond account, . . . . .	18,565	18,807	16,514	14,010	7,335
Stocks, . . . . .	15,000	15,000	8,550	8,000	8,000
Real estate, . . . . .	49,010	50,366	50,266	55,464	60,295
Bank balances, . . . . .	219,643	164,425	636,975	310,534	767,343
Bank notes, . . . . .	142,736	99,910	206,039	219,290	347,731
Specie on hand, . . . . .	297,025	259,893	235,543	333,243	433,613
Miscellaneous, . . . . .	8,661	...	...	1,004	16,506
<b>Total resources, . . . . .</b>	<b>\$2,399,732</b>	<b>\$2,367,247</b>	<b>\$3,968,639</b>	<b>\$2,984,021</b>	<b>\$4,089,303</b>

\* \$75,000 of this is part of the capital of the Branch, at Christiansburg.

*Northwestern Bank of Virginia and Branches.*

LIABILITIES.	Oct., 1849.	Oct., 1850.	July, 1851.	July, 1852.	Oct. 1, 1853.
Capital, . . . . .	\$740,600	\$740,600	\$792,100	\$794,100	\$847,100
Circulation, . . . . .	675,408	815,183	1,336,068	1,432,272	1,554,442
Individual deposits, . . . . .	171,418	160,186	239,290	236,886	261,610
Bank balances, . . . . .	12,296	66,567	86,618	49,294	46,081
Profit and loss, . . . . .	50,056	52,156	105,984	109,499	121,208
Miscellaneous, . . . . .	68	. . .	. . .	14,068	18,127
<b>Total liabilities, . . . . .</b>	<b>\$1,649,831</b>	<b>\$1,834,692</b>	<b>\$2,510,080</b>	<b>\$2,635,590</b>	<b>\$2,843,660</b>
RESOURCES.	Oct., 1849.	Oct., 1850.	July, 1851.	July, 1852.	Oct. 1, 1853.
Bills discounted, . . . . .	670,838	693,826	1,661,458	1,702,358	1,060,102
Bills of exchange, . . . . .	430,274	556,110	. . .	. . .	764,627
Stocks, . . . . .	59,028	59,028	53,900	86,500	49,900
Real estate, . . . . .	79,921	75,188	50,662	46,088	51,946
Coin on hand, . . . . .	203,926	210,490	356,773	376,533	386,264
Bank balances, . . . . .	181,715	159,467	285,648	312,325	400,100
Bank notes, . . . . .	61,707	40,043	91,706	102,078	55,254
Miscellaneous, . . . . .	2,927	5,540	2,888	9,688	21,747
<b>Total resources, . . . . .</b>	<b>\$1,649,831</b>	<b>\$1,834,692</b>	<b>\$2,510,080</b>	<b>\$2,635,590</b>	<b>\$2,843,660</b>

*Merchants' Bank of Virginia, Lynchburgh.*

LIABILITIES.	Oct. 1, 1853.	RESOURCES.	Oct. 1, 1853.
Capital stock, (subscribed, \$329,000.)	\$261,181	Bills and notes discounted, . . .	\$242,304
Notes in circulation, . . . . .	158,250	Specie on hand, . . . . .	88,838
Individual deposits, . . . . .	42,588	Virginia State bonds, . . . . .	169,725
Due other banks, . . . . .	14,126	Premium on " . . . . .	12,566
Profit and loss, . . . . .	18,860	Notes of other banks, . . . . .	12,291
<b>Total liabilities, . . . . .</b>	<b>\$519,950</b>	Balances due by other banks, . . .	11,592
		Miscellaneous, . . . . .	6,144
		<b>Total resources, . . . . .</b>	<b>\$519,950</b>

*Central Bank of Virginia, Staunton.*

LIABILITIES.	Oct. 1, 1853.	RESOURCES.	Oct. 1, 1853.
Capital stock, . . . . .	\$221,700	Loans, . . . . .	\$198,667
Notes in circulation, . . . . .	216,000	Virginia six per cent bonds, . . .	216,015
Individual deposits, . . . . .	81,164	Premium on " . . . . .	11,678
Due to other banks, . . . . .	16,976	Specie on hand, . . . . .	89,918
Contingent fund, &c., . . . . .	5,880	Bank notes, &c., . . . . .	16,037
<b>Total liabilities, . . . . .</b>	<b>\$491,170</b>	Miscellaneous, . . . . .	8,560
		<b>Total resources, . . . . .</b>	<b>\$491,170</b>

## THE CENSUS OF GREAT BRITAIN.

A new census of Great Britain was taken in the year 1851. An elaborate notice of the results of this census was recently read at the twenty-third meeting of the British Association for the advancement of Science. We copy the report from a late No. of the London Athenæum.—Ed. B. M.

"THE Results of the Census of Great Britain in 1851, with a description of the Machinery and Processes employed to obtain the Returns, by E. CHESHIRE."—The author commenced by reciting the onerous duties of the Registrar-General. The objects of the census was explained, and the machinery employed to take it. Great Britain was apportioned into 38,740 enumeration districts, and to each of them a duly qualified enumerator was appointed. The author illustrated the extent of this army of enumerators, and the labor of engaging their services on the same day, by stating that it would take  $13\frac{1}{2}$  hours to count them, at the rate of one a second; and that the army recently encamped at Chobham would not have sufficed to enumerate a *fourth* of the population of Great Britain. The boundaries of the enumeration district, and the duties of the enumerators, were defined. The number of householders' schedules forwarded from the Census Office was 7,000,000, weighing 40 tons. The process employed to enumerate persons sleeping in barns, tents, and the open air, and in vessels, were severally explained; also, the means by which the numbers of British subjects in foreign states were obtained. The precautions taken to secure accurate returns were recited; they involved the final process of a minute examination and totalling, at the Census Office, of 20 millions of entries, contained on upwards of  $1\frac{1}{2}$  millions of pages of the enumerators' books. The latter were upwards of 38,000 in number. The boundaries of the fourteen registration divisions were traced, and the plan of publication of the census was explained. The number of persons absent from Great Britain on the night of the 30th of March, 1851, was nearly 200,000, viz.: army, navy and merchant service, 162,490; and British subjects resident and travelling in foreign countries, 33,775. The various causes of displacements of the population were recited; and the general movement of the population on the occasion of the Great Exhibition was alluded to.\* The number of *visits* to the Crystal Palace were 6,039,195, and the number of *people* who visited it was 2,000,000; nevertheless, the landing of only 65,233 aliens were reported in the year. The population of Great Britain in 1851 is subjoined:

	Males,	Females,	Total,
England, .....	8,281,784	8,640,154	16,921,888
Scotland .....	1,375,479	1,513,263	2,888,742
Wales, .....	499,491	506,230	1,005,721
Islands, .....	66,854	76,272	143,126
Army, navy and merchant service, .....	162,490	.....	162,490
Total, .....	10,386,048	10,735,919	21,121,967

The census illustrated this 21,000,000 of people by an allusion to the Great Exhibition. On one or two occasions 100,000 persons visited the

\* It is stated incidentally in the census, that in 1845 a million and a half of people on the Continent visited in pilgrimage the *Holy Coat* at Trêves.

Crystal Palace in a single day, consequently 211 days of such a living stream would represent the number of the British population. Another way of realizing 21,000,000 of people, was arrived at by considering their numbers in relation to space: allowing a square yard to each person, they would cover 7 *square miles*. The author supplied a further illustration, by stating that if all the people of Great Britain had to pass through London in procession, four abreast, and every facility was afforded for their free and uninterrupted passage for 12 hours daily, Sundays excepted, it would take nearly 3 *months* for the whole population of Great Britain to file through at *quick* march, *four* deep. The excess of females in great Britain was 512,361, or as many as would have filled the Crystal Palace five times over. The proportion between the sexes was 100 males to 105 females, a remarkable fact, when it was considered that the births during the last 13 years had given the reversed proportion of 105 *boys* to 100 *girls*. The annexed statement exhibits the population of Great Britain at each census from 1801 to 1851 inclusive:

Years.	Males.	Females.	Total.
1801.....	5,368,703	5,548,730	10,917,433
1811.....	6,111,261	6,312,859	12,424,120
1821.....	7,096,053	7,306,590	14,402,643
1831.....	8,183,446	8,430,692	16,564,138
1841.....	9,232,418	9,581,368	18,813,786
1851.....	10,386,048	10,735,919	21,121,967

The increase of population in the last half century was upwards of 10,000,000, and nearly equalled the increase in all preceding ages, notwithstanding that millions had emigrated in the interval. The increase still continued, but the *rate* of increase had declined, chiefly from accelerated emigration. At the rate of increase prevailing from 1801 to 1851, the population would double itself in 52½ years. The relation of population to mean lifetime and to interval between generations was then discussed. The effects of fertile marriages and of early marriages, respectively, were stated; also the result of a change in the social condition of unmarried women; likewise, the effect of migration and emigration, respectively, on population; the effect of an abundance of the necessaries of life was indicated, and, on the contrary, the result of famines, pestilences and public calamities. The terms "family" and "occupier" were defined, and some remarks by Dr. Carus, on English dwellings, were cited. The English (says the Doctor) divide their edifices *perpendicularly* in houses, while on the Continent and in many parts of Scotland the edifices are divided *horizontally* into floors. The definition of a "house," adopted for the purposes of the census, was "isolated dwellings, or dwellings separated by party walls." The following table gives the number of houses in Great Britain in 1851:

	Inhabited.	Uninhabited.	Building.
England.....	3,076,620	144,499	25,192
Scotland.....	870,308	12,146	2,420
Wales.....	201,419	8,995	1,379
Islands.....	21,845	1,095	203
Total.....	3,670,192	166,735	29,194

About 4 per cent. of the houses in Great Britain were unoccupied in 1851, and to every 131 houses inhabited or uninhabited, there was *one* in course of erection. In England and Wales, the number of persons to a house was 5.5; in Scotland, 7.8, or about the same as in London; in Edinburgh and Glasgow, the numbers were, respectively, 20.6 and 27.5. Subjoined is a statement of the number of inhabited houses and families in Great Britain at each census, from 1801 to 1851,—also, of persons to a house, excluding the islands in the British seas:

Years.	Inhabited houses.	Families.	Persons to a house.
1801,.....	1,870,476	2,260,802	5.6
1811,.....	2,101,597	2,544,215	5.7
1821,.....	2,429,630	2,941,388	5.8
1831,.....	2,850,937	3,414,175	5.7
1841,.....	3,446,797	(No returns.)	5.4
1851,.....	3,648,347	4,312,388	5.7

The number of inhabited houses had nearly doubled in the last half century, and upwards of two millions new families had been founded. 67,609 families, taken at hazard, were analyzed into their constituent parts, and they gave some curious results. About 5 per cent. only of the families in Great Britain consisted of husband, wife, children and servants, generally considered the requisites of domestic felicity; while 893 families had each *ten* children at home, 317 had each *eleven*, and 64 had each *twelve*. The number of each class of institution, and the number of persons inhabiting them, are annexed:

Class of Institution.	Number of Institutions.	Number of persons inhabiting them.		
		Males.	Females.	Total.
Barracks,.....	174	44,833	9,100	53,933
Workhouses,.....	746	65,786	65,796	131,582
Prisons,.....	257	24,593	6,369	30,962
Lunatic Asylums,.....	149	9,753	11,251	21,004
Hospitals,.....	118	5,893	5,754	11,647
Asylums, &c.,.....	573	27,183	19,548	46,731
Total,.....	2,017	178,041	117,815	295,856

Of these 295,856 persons, 260,340 were inmates, and 35,516 officers and servants. The excess of males in the prisons arose from the fact that crime was four times as prevalent among males as among females. The number of the houseless classes, *i. e.*, of persons sleeping in barns, tents, and the open air, on the night of the census, was 18,249. The following table gives the number of these classes, together with those sleeping in barges and vessels:

Persons sleeping in	Males.	Females.	Total.
Barges,.....	10,395	2,529	12,924
Barns,.....	7,251	2,721	9,972
Tents or open air,.....	4,614	3,663	8,277
Vessels,.....	43,895	2,853	46,748
Total,.....	71,155	11,766	82,921



It was mentioned as a curious trait of gipsy feeling, that a whole tribe struck their tents and passed into another parish, in order to escape enumeration. The composition of a town was next described; also, the laws of operating upon the location of families. The number of cities and towns of various magnitudes in Great Britain was 815, viz.: 580 in England and Wales, 225 in Scotland, and 10 in the Channel islands. The town and country population was equally balanced— $10\frac{1}{2}$  millions against  $10\frac{1}{2}$  millions. The density in the towns was 3,337 persons to the square mile; in the country only 120. The average population of each town in England and Wales was 15,500; of each town in Scotland, 6,654. The average ground area of the English towns was  $4\frac{2}{3}$  miles. The manner in which the ground area in Great Britain was occupied by the population was illustrated by a series of squares. The adventitious character of certain towns was alluded to; many had risen rapidly from villages to cities, and had almost acquired a metropolitan character. In 1851 Great Britain contained 70 towns, of 20,000 inhabitants and upwards. There was an increasing tendency of the people to concentrate themselves in masses. London extended over an area of 78,029 acres, or 122 square miles, and the number of its inhabitants, rapidly increasing, was 2,362,236 on the day of the last census. The author illustrated this number by a curious calculation:—a conception of this vast mass of people might be formed by the fact, that if the metropolis was surrounded by a wall, having a north gate, a south gate, an east gate and a west gate, and each of the four gates was of sufficient width to allow a column of persons to pass out freely, *four* abreast, and a peremptory necessity required the immediate evacuation of the city, it could not be accomplished under *four-and-twenty* hours, by the expiration of which time the head of each of the four columns would have advanced a no less distance than *seventy-five miles* from their respective gates, all the people being in *close file, four* deep. In respect to the density or proximity of the population, a French writer had suggested the term “specific population,” after the analogy of “specific gravity,” in lieu of the terms in common use, “thinly populated” and “populous.” The statement annexed exhibits the area of Great Britain in acres and square miles, the square in miles, the number of acres to a person, of persons to a square mile, and the mean proximity of the population on the hypothesis of an equal distribution.

	Area.		Square, (in miles.)	Acres to a person.	Persons to a sq. mile.	Proximi- ty of persons in yards.
	In acres.	In sq. miles.				
England, . . . . .	32,590,429	50,922	226	1.9	332	104
Scotland, . . . . .	20,047,462	31,324	177	6.9	92	197
Wales, . . . . .	4,734,486	7,398	86	4.7	135	162
Islands, . . . . .	252,000	394	20	1.8	363	99
Great Britain, . . .	57,624,377	90,038	299	2.7	233	124

The 624 districts of England and Wales classed in an order of density, ranged from 18 persons to the square mile in Northumberland, to 185,751 in the East London district. In all London there were 19,375 persons to the square mile. In 1801 the people of England were, on an

average, 153 yards asunder; in 1851 only 108 yards. The mean distance between their houses in 1801 was 362 yards; in 1851 only 252 yards. In London the mean proximity in 1801 was 21 yards; in 1851 only 14 yards. The number of islands in the British group was stated at 500, but inhabitants were only found on 175 on the day of the census. The early history of the more celebrated of the islands was given. The population of the chief of the group, Great Britain, had been given. Ireland contained 6,553,357 inhabitants; Anglesey, the next most populous island, had 57,318 inhabitants; Jersey, 57,020; the Isle of Man, 52,344; the Isle of Wight, 50,324; Guernsey, 29,757; eight islands ranged from 22,918 to 5,857, 17 from 4,006 to 1,064, 52 from 947 to 105, and the remaining 92 downwards, to an island inhabited by one solitary man. The shires, hundreds and tythings, were traced to Alfred the Great; the circuits to Henry the Second. The terms "hundreds" and "tythings" had their origin in a system of numeration. The number of reformed boroughs in England and Wales were 196, and contained a population of 4,345,269 inhabitants. Scotland contained 83 royal and municipal burghs, having a population of 752,777 inhabitants. The difficulty of tracing the boundaries of the *ecclesiastical* districts, and consequently of ascertaining correctly their population, was shown. The changes in the ancient boundaries of counties and other divisions were alluded to, and the paper concluded with a general summary of the results of the census. An appendix contained tables, showing the population and number of houses, distinguishing whether inhabited, uninhabited or building, in England, Scotland, Wales, and the islands, respectively, at each census from 1801 to 1851; the same in 1851, for each of the 14 registration divisions; for each of the 36 districts of London; and for each county in England and Wales, and in Scotland; also the population of each county in England and Wales, and in Scotland, at each census from 1801 to 1851, and the increase of population in the last half century; the area in acres and square miles, the number of persons to a square mile, of acres to a person, of inhabited houses to a square mile, and of persons to a house, for each county in England and Wales, and in Scotland; the population and number of inhabited houses in the counties, and parliamentary divisions of counties, in England and Wales, and in the counties of Scotland, including and excluding represented cities and boroughs or burghs, also the number of members returned; the population of each island containing above 100 persons; the population and number of inhabited houses in *each* of the 815 cities, boroughs and principal towns in England and Wales and in Scotland, distinguishing the municipal and parliamentary limits; the number of each class of public institutions in England and Wales, Scotland and the islands, and the number of persons inhabiting them; the number of births and deaths, and the excess of births over deaths in England and Wales, for each of the ten years of 1841-50; and finally, the number of persons who had emigrated from Great Britain and Ireland in each year from 1843 to 1852 inclusive, and the destination of the emigrants. The author concluded by stating that the paper would be immediately printed.

## CALIFORNIA GOLD.

WE copy from the *Philadelphia Evening Bulletin*, the annexed summary of deposits of California gold at the parent and branch Mints:

*Philadelphia Mint.*

In 1848,.....	\$44,177 00	In 1852,.....	49,821,490 00
1849,.....	5,481,439 00	1853, (to July 30,) ..	38,080,253 85
1850,.....	31,667,705 00		
1851,.....	46,939,367 00		\$172,084,231 85

*Branch Mints.*

	Dahlonaga.	Charlotte.	New Orleans.	Total.
1848,.....	.....	.....	\$1,124 00	\$1,124 00
1849,.....	.....	.....	669,921 00	669,921 00
1850,.....	\$30,025 00	.....	4,575,567 00	4,605,592 00
1851,.....	214,072 00	14,111 00	8,769,682 00	8,998,865 00
1852,.....	324,981 07	28,361 76	3,777,784 00	4,131,076 83
1853, (to July 30,) ..	269,607 78	15,399 49	1,389,208 02	1,674,215 29
Totals,.....	838,635 85	58,872 25	19,183,236 02	20,080,794 12
Add deposits at Philadelphia Mint,.....				172,084,231 85

Total California deposits to July 30, 1853,..... \$192,115,025 97

*Subsequent deposits at Philadelphia Mint.*

August, 1853,.....	\$4,469,000 00
Sept'r, " .....	3,975,000 00
October, " .....	4,327,000 00

Total California deposits to Oct'r 31st, 1853,..... \$12,771,000 00

We have thus the amount of gold of California productions received at the Mints up to the 1st of November, except the deposits of the last three months at the Branch Mints, which are not likely to have been of sufficient magnitude to make them material to our purpose. The next thing to be considered, is the amount of specie exported from the United States, and this we are enabled to exhibit with sufficient accuracy. Official documents show that the entire exports and imports of specie, from 1847—the famine year—to 1853, were as follows:

	Imports.	Exports.		Imports.	Exports.
1847....	\$24,121,289	\$1,907,739	1851.....	\$5,453,592	\$29,472,762
1848....	6,360,224	15,841,620	1852.....	5,503,544	42,674,135
1849....	6,651,240	5,404,648			
1850....	4,628,792	7,522,984	Total,	52,718,681	102,823,888
					52,718,681

Net exports of specie for six years.....	50,105,207
And exports for first ten months of 1853, as ascertained from returns and estimates, say.....	25,000,000

Total exports of specie..... 75,105,207

The whole question may then be briefly stated as follows :

Receipts of California gold to Oct. 31st, '53.....	\$204,885,025 97
Exports of specie from 1847 to Oct. 31st, '53.....	75,105,207 00
Net increase of specie.....	\$129,780,818 97

It will doubtless surprise many to see it thus clearly demonstrated that there is at the present time nearly one hundred and thirty millions more of specie in the United States than there was in 1846. The fact that, in spite of this state of things, the money market should be in so embarrassed a condition, is another proof that financial panics and commercial distresses are frequently the result of false notions, as well as of disturbing causes abroad, which, if philosophically considered, ought to have no serious influence upon this country. If the abstract case were presented to a political economist of an energetic and intelligent people, actively engaged in agriculture, manufactures and commerce, rapidly increasing in population, and opening new sources of wealth daily, whose stock of the precious metals had increased in seven years nearly one hundred and thirty millions, he would unhesitatingly pronounce that people in a state of unexampled prosperity, and with facilities of carrying on business such as have rarely been witnessed. Such ought to be the case here, and such will be the case, if the phantom of distress is banished, as it should be, and the public are induced to rely more upon authoritative data than upon the facilities of the money market and the visionary terror of panic makers.

## PHILADELPHIA AND ITS SUBURBS.

We republish portions of an official document in reference to the debt, &c., of Philadelphia city, Southwark, the Northern Liberties, Spring Garden, Kensington, Moyamensing, Penn, Richmond and West Philadelphia districts, all which are proposed to be brought together under one city government.

The city debt is as follows :

Gas Loans.....	\$1,272,000 00
Other Loans, to 1st January, 1853.....	6,237,200 00
do. since 1st January, 1853, including \$100,000 to Hempfield Rail-Road.....	173,000 00
	<hr/>
	\$7,682,200 00
Per Contract.....	
Gas, Sinking Fund.....	\$482,582 89
do. Contingent Fund.....	293,149 59
City Sinking Fund.....	606,836 36
Increase do. 1853.....	30,000 00
Pennsylvania Rail-Road Stock.....	4,000,000 00
Hempfield do. do.....	100,000 00
Gas Works.....	1,408,940 08
City Rail-Road income, \$10,000.....	100,000 00—7,022,108 87
	<hr/>
Apparent balance against the city.....	\$660,091 13

But the following income is to be taken into account :

Water Rents,.....	158,000 00 per annum.
Deduct permanent expenses of Water Works,.....	\$28,500 00—\$129,500 00
Market Rents,.....	85,000 00
Rents of City Property,.....	84,000 00
Rents of Tobacco Warehouse,.....	9,000 00
	<hr/>
	\$207,500 00
Representing a capital of.....	\$3,458,388 33

There are besides these, all the unproductive landings at the ends of the streets on the Schuylkill, the four public squares, Independence Square and Pratt's Garden, which would make a beautiful summer resort for our fellow citizens.

These grounds, the Fairmount Works and the Girard College, are all beyond the present city limits, and to the north of it, whilst the city, as the Trustees of the Girard estate, own property in the city proper, and north and south of it.

The area is 1,402½ acres, divided into 17 Wards, all which are subdivided into precincts. The taxables are 22,024, and the assessed value of real estate is \$66,497,465. Occupations, \$646,625. Furniture, \$1,622,500. Money at interest, stocks and debts, \$18,311,241.

The consolidated debt of the new city, will be as follows :

*Funded Debts of the City and Districts, &c.*

City.....	\$7,682,200 00	Moyamensing.....	118,348 15
County.....	2,130,508 02	Penn.....	287,000 00
Southwark.....	414,900 00	Richmond.....	220,000 00
Northern Liberties.....	845,700 00	West Philadelphia.....	257,000 00
Spring Garden.....	1,822,000 00	Guardians of the Poor....	642,904 04
Kensington.....	591,180 04		
		Total.....	\$14,961,785 25

This total is large, but it should be remembered that the sinking fund and contingent fund of the City Gas Works, and sinking funds of the city and of the county, is \$1,684,721 71.

Rail-road stocks of the City and Northern Liberties.....	\$4,600,000 00
Gas Works of the city.....	1,409,950 03
The Water Works of the City, Northern Liberties, Spring Garden and Kensington, produce an income of about \$230,000, being an interest at 6 per cent. of over \$3,500,000; cost about.....	2,500,000 00
Spring Garden Gas Works and rail-road stock.....	884,967 19
	<hr/>
	\$11,029,628 98

Besides all the other corporate property herein before mentioned.

Any apprehension, therefore, on the part of the outer or any other districts, that the interest on the public debt will require severe taxation to meet it, is groundless; for it must be obvious to any drone that a capitalist who would take upon himself the public debt and public property, would be enriched by the operation; and it is one of the prominent intentions of the bill, that the corporation incomes shall be appropriated to the interest.

The assessed value of the real and personal property in the City and county of Philadelphia, is as follows :

Real estate.....	\$128,218,658	Emoluments of office.....	\$130,825
Occupations.....	2,240,871	Horses and cows.....	500,581
Furniture.....	1,919,590	Carriages.....	194,868
Money at interest, stock, loans and debts.....	21,955,269	Watches.....	6,288
		Total.....	\$155,260,662

### THE BANK OF ENGLAND.

It is probable that the Bank of England will feel compelled to advance its rate of discount from 5, as at present, to 6 per cent. In order to show the increased demand for currency in England, in the increased commercial transactions of that country, we have compiled the following table of the amount of reserve notes held by the Bank of England; or, in other words, the amount of notes actually prepared, in conformity to law, but for which there has been no demand on the part of the public, or which the bank was not inclined to loan out.

The bank is authorized to issue £14,000,000 in notes, based upon its capital stock of £14,553,000; and also notes to the amount of all gold and silver coin and bullion held in the issue department. The statement, on the 15th ultimo, was as follows: Notes issued, £28,679,875; first, on account of capital, £14,000,000; and £14,679,875, being the exact amount of gold held in the issue department. The amount of notes on hand, (practically, for which there was no use,) was £5,012,490, leaving a *bona fide* circulation of £23,667,385.

The rapid decline in the quantity of bullion held by the bank in 1847, reduced this reserve to the small sum of £1,547,000—a period when the bank was thought to be in imminent peril, and when aid was sought of the Bank of France. At that time, wheat had fallen from 70s. to 30s. in the English market. Bills on London, in the New York market, were 6 3/4 a 7 per cent. In September, 1848, business was reduced throughout Great Britain. In 1848-'9, '50, '51, and '52, the increase of capital was greater in England than could be profitably employed. Hence the increase in the reserve of notes, or *unemployed capital*, to the enormous sum of £13,619,000. Since Sept., 1852, enterprise is more evident. New channels for investment have been opened, and an increased demand for capital has arisen.

We submit the figures to our readers, because it is a fair commentary upon the financial history of England for the past eight years.

Table showing the reserves of Notes held by the Bank of England, from 1845 to Oct. 25, 1853.

	1845.	1846.	1847.	1848.
September, 27, . . . . .	£7,946,000	£9,788,000	£4,112,000	£9,571,000
October 4, . . . . .	7,095,000	8,809,000	8,409,000	9,343,000
October 11, . . . . .	7,087,000	8,805,000	8,830,000	8,405,000
October 18, . . . . .	5,525,000	7,409,000	2,630,000	8,302,000
October 25, . . . . .	5,889,000	7,154,000	*1,547,000	8,018,000
Loss, . . . . .	£2,557,000	£2,634,000	£2,665,000	£1,568,000

\* The letter of Government suspended the Bank Act.

	1849.	1850.	1851.	1852.
September 27, . . . . .	£10,162,000	£11,042,000	£9,173,000	£13,619,000
October 4, . . . . .	10,238,000	. . . . .	8,958,000	12,745,000
October 11, . . . . .	9,564,000	1,238,000	8,833,000	12,655,000
October 18, . . . . .	9,204,000	9,204,000	7,782,000	11,392,000
October 27, . . . . .	9,250,000	9,566,000	7,916,000	11,576,000
Loss, . . . . .	£1,912,000	£1,488,000	£1,262,000	£3,083,000

1853.		1853.	
September 8, . . . . .	£7,696,000	October 1, . . . . .	£6,258,000
September 10, . . . . .	7,669,000	October 8, . . . . .	6,361,000
September 17, . . . . .	7,977,000	October 15, . . . . .	5,012,000
September 24, . . . . .	7,130,000	October 22, . . . . .	5,218,000

*The following is a letter to the N. Y. Courier and Enquirer, dated London 27th Oct.*

The price of Bank of England stock is 214 per cent. ex. dividend, or 114 premium. This is a Hudibrastic value, inasmuch as the total value of the assets, after paying off the liabilities, would only be about 130 per cent., (not 214 per cent.,) even supposing that the bank should not have a single bad debt, or be obliged to realize at a price for any of the securities, below the original cost. The bank is now declaring dividends at the rate of 8 per cent., and it is because the capital of the bank is so usefully employed that it commands this very high premium. The bank and the Government pull together, and though there may be moments when they are at variance, no sooner does one or the other require assistance than aid is forthcoming. "General Jackson versus the United States' Bank" is not the policy here. For long series of years the bank has regularly advanced, each quarter day, sufficient to meet the difference between the amount due to the government, and the amount required to pay the dividends. On this occasion, the Chancellor finding the reserve of notes in the bank so small that he could not borrow of them without endangering a crisis, he took the precaution to raise the interest on exchequer bills, so as to make them par, and then sold one million of them, and paid in the notes to the credit of government, and thus avoided borrowing of the bank. It is worth while remembering that the true value of bank stock is only 130 per cent.; and the excess upon this is only an imaginative value.

The crisis of the Bank of England is over. Her reserve of bank notes is largely increased; the sale of exchequer bills by the Chancellor of the Exchequer, to raise the momentary wants of the treasury to pay the October dividends, has saved her from making a very unsatisfactory return of her condition. This was the turning point, and now she is, day by day, recovering her strength, to the extent of not less than a million of dollars a day. The large sum of \$2,500,000 arrived this day from Australia. That, however, will not be credited in the bank assets until next week.

## THE USURY LAWS OF NEW YORK,

A DIGEST OF THE DECISIONS OF THE SUPREME COURT AND OF THE  
COURT OF ERRORS OF THE STATE OF NEW YORK UPON USURY.

### I. *In general.*

### II. *Pleading evidence and remedy.*

1. The three things necessary to constitute usury are a loan, taking more than lawful interest, and a corrupt agreement. *Bank of Utica v. Wayne*, 2 Cowen, 712.

2. The intention of the statute against usury, it seems, is to prohibit the taking of more than seven per cent. upon direct loans of money, and loans of money made *indirectly* by way of loan of goods, and things in action. *Colton v. Dunham*, 2 Paige, 267; *N. Y. Dry Dock Bank v. American Life Insurance Company*, 3 Coms. 344.

3. It is applicable only to those loans which are in substance and effect loans of money; such loans are *express*, when the money is advanced by the lender, or *implied*, where something else is parted with for the purpose of obtaining money. Every such transaction, the real object being to procure money on time, no matter what form it is made to assume, is a loan within the statute. *Ib.* See also *Dunham v. Dey*, 13 Johnson, 44.

4. A loan of goods is not within the statute, whatever may be reserved for their use; nor of stock to be returned in kind; nor of stock converted into money, by arrangements to be replaced by other stock; nor of choses in action. *Ib.*

5. The statute, by "choses in action," refers to a particular species of property recognised by the law, and which, upon the death of the owner, would be inventoried as such by his legal representatives, but an advance of credit is not such a *chose in action*; credit is not recognised by the law as property; it cannot be loaned; a loan implies that the thing borrowed is to be returned, after a temporary use, to the owner. *Ib.*

6. Credit may be disposed of only by gift or sale; an exchange of notes is the sale of one promise for another, and when the transaction is a sale of credit, it is not within the prohibition against usury. *Ib.*

7. In every instance where the contract is one of sale, or exchange, if the court in looking at the whole transaction can see that the value received to the vendor was in good faith, only the price of the thing sold, there can be no usury, whatever the price may be, or the mode in which it may be reserved. *Ib.* See also *Van Shaick v. Edwards*, 2 J. Cases, 356. When, however, the object of the parties is a loan of money, and something else under the form of a sale or exchange is substituted for it, any consideration paid or secured to the vendor, beyond the value in money of the substitute received by the vendor, will be considered as interest for its forbearance, and within the statute. *Ib.*



8. When a bank which had suspended specie payments, appointed a committee "to endeavor to procure a loan sufficient to enable the company to resume their business;" and the committee applied to a trust company doing business with a large capital and professing to loan money, and having among other powers the right to receive any deposit of money or securities valued as money, and allow interest thereon, &c., "for aid to enable the bank to resume specie payments;" and the trust company agreed to issue their certificates of deposit for £48,000 sterling, payable in London, with interest at 5 per cent., part in one, and the balance in two years; for which the bank was to deliver to the company bills of credit for £50,000, payable to the latter in sterling money, at \$5 to the pound, in London, at six per cent. interest, to be paid half yearly, and the principal to be paid in instalments, at four, five and six years; and the whole of the £50,000 was to be secured by the bank, by a conveyance of real estate, worth double the amount to trustees; containing a provision that the bank should pay the instalments in New York, with the semi-annual interest on the whole sum at seven per cent., valuing each pound sterling at \$5, and that such payments were to be made in every instance forty days previous to the time they would fall due in London. It was also understood by the parties that the trust company were to negotiate the obligations of the bank in London with their own guaranty, so as to meet their certificates of deposit. The agreement was carried into effect, and the bills of credit were issued by the bank, each bill reciting, that the amount specified therein was a part of a loan of £50,000 secured by real estate. It appeared to have been understood by the parties, that the trust company were not in a situation to loan, in cash, the amount required by the bank; that the situation of the latter was known to the company; that the parties contemplated that the certificates of deposit could be readily converted into cash at par, or very near par; but that in fact the bank lost upon the sale of them over \$12,000. *It was held*, that the transaction was a loan of money by the trust company to the bank; and that the contract was usurious, and the bills of credit issued by the bank, and the trust deed of land for the security of the same, were void. *Dry Dock Bank v. American Life Insurance Company*, 3 Coms. 344.

9. It seems that a person may lawfully receive a commission for becoming security for another. *Dunham v. Dey*, 13 John. R. 40.

A. receives B.'s note, on giving B. his note at ten days, for the purpose of raising money, and pays B. two and a half per cent. commission; this is a loan within the statute of usury, and A.'s note is usurious and void. *Id.*

10. A. exchanged his note for B.'s, of equal amount and on the same time, and received a commission therefor of two and a half per cent.; *held*, not usury, inasmuch as the commission was less than the legal rate of interest on the notes for the time they had to run. *Dey v. Dunham*, 2 John. Ch. 182.

11. When the commission exceeds the legal rate of interest for the time such notes have to run, it is usury. *Fanning v. Dunham*, 5 John. Ch. 122.

12. When a party received from another a security for the payment of a certain sum with interest, and gave therefor his checks, payable six months thereafter, thereby securing to himself a premium of six months interest upon the entire sum, the transaction was held usurious. *Lane v. Losee*, 2 Bar. 56.

13. When a party gave his note to a bank, payable in seventy-five days, with seven per cent. interest, and took therefor a certificate of deposit, payable in three months, at five per cent. interest; *held*, that if it was made a condition of the discount of the note by the bank, that the party should take the certificate of deposit, instead of money, the transaction was usurious; *likewise* if the maker of the note offered to take such a certificate, and the offer was accepted by the bank. *Gillet v. Avrill*, 5 Denio, 85.

14. When one negotiated a loan with a company, and a difference of two per cent. was made between the interest paid by the company upon certificates issued by them, and that agreed to be paid by the borrower, the transaction was *per se* usurious. *Farmers' Loan and Trust Company v. Carrol*, 5 Bar. 613.

15. To constitute usury there must be an unlawful or corrupt interest. A *bona fide* charge by a banker or broker of a commission or extra sum for expense and trouble, &c., is not usury. *Neurse v. Prince*, 7 John. Ch. 69.

P. and W. were stock and exchange brokers in New York. They entered into an agreement with A., who was entitled to receive of B. 350 shares of United States Bank Stock, for a large sum of money to be paid to B. By the terms of this agreement, P. and W. advanced to B. for A. the money required, whereupon the stock was transferred to them. Pursuant to the agreement, they retained it, with eighty other shares previously received from A., as collateral security for the note of A., payable in a year, given for the principal and interest due to P. and W., and including also a commission of one half per cent. charged by the brokers as a compensation for transacting the business. The note was not paid at maturity, and the brokers sold the stock, and brought a suit for the balance, not satisfied by the sale; *held*, that the charge for commission was not usurious. *Ib.*

16. When an auctioneer receives goods; and makes an advance on the same, and charges five per cent. above the ordinary commissions, it is usurious. *Ramsdell v. Morgan*, 16 Wend. 574.

17. A note reserving interest, negotiated by a broker or agent, is not usurious, although the broker be the payee, and reserves  $12\frac{1}{2}$  per cent. for the negotiation; the money being, in fact, advanced by a third person, who receives no part of the  $12\frac{1}{2}$  per cent., but only legal interest on the sum advanced. *Coster v. Dilworth*, 8 Cowen, 299; *Barretto v. Snowden*, 5 Wend. 181.

18. A commission merchant in New York agreed to accept drafts for his customer, who was to furnish him with produce, sufficient to keep him in funds to meet his acceptances, as they became due, stipulating that on all acceptances not provided for by produce the merchant was to reserve two and a half per cent. over and above the legal rate of interest; *held*, not usurious. *Suydam v. Westfall*, 4 Hill, 211.

19. When C. applied to H. to aid him in obtaining a loan of four hundred dollars, and promised to pay him twenty-eight dollars for procuring a loan upon bond and mortgage; and H. applied to I., who did not know that H. was to receive any thing for his services, and who advanced the money and included the twenty-eight dollars in the bond and mortgage; *held*, that the loan was not usurious. *Crane v. Hubbel*, 7 Paige, 413.

20. When security is given on a loan of money valid at its creation, no subsequent agreement of the borrower to pay an usurious premium for forbearance will invalidate the original security; the subsequent agreement for the usurious premium alone will be void; and when usury has been paid under such agreement, it would be, in equity, considered a payment *pro tanto* upon the security for the original loan. *Ib.*

21. When an agent or factor agrees to accept and pay bills, with funds furnished by his principal, for a reasonable commission to be paid by the latter, it is not *per se* usurious. *Suydam v. Bartle*, 10 Paige, 95.

And if such agreement by its terms contemplates an advance of money to pay bills, in case the principal should not provide the means of paying them at the day, it would still be a question of fact, to be decided by proof, whether the commission was intended as a mere shift to cover usury, or as a compensation for trouble and risks. *Ib.*

22. When T. and D., who were in the practice of receiving produce of C., and freighting the same to another port, and accepting C.'s drafts, under an agreement, that the produce was to be in their warehouse before the drafts became payable, charged two and a half per cent. commission on all advances made by them, to meet drafts not provided for by C., and also interest upon the items of their account as they became due; *held*, that the commission was a customary allowance, and not usurious. *Trotter v. Curtiss*, 19 John. R. 160.

A. sold his guaranty to B. for a commission of two and a half per cent., on securities payable in four months; *held*, not usury. The rate of compensation in such a case is of no importance; for there being no negotiation about a loan, and no loan having been made, the transaction was a sale of credit, and nothing more, and for his credit A. might charge all he could get. *More v. Howland*, 4 Denio, 266.

23. A guaranty of paper, really and *bona fide* intended to be only a security for payment, is not obnoxious to the imputation of usury, even if a commission of more than legal interest be agreed upon and taken for the same; but if connected with and mixed up with a loan, and a commission exceeding the legal rate of interest be taken, it will be considered an usurious transaction; unless the excess appear to have been intended as a compensation for trouble and expense, in good faith, incurred in the business; and whether the transaction is intended as a device and contrivance for the purpose of disguising usury, is a question of fact to be determined by the jury upon a consideration of all the circumstances. Per Ch. J. Nelson. *Ketchum v. Barber*, 4 Hill, 224.

24. M. being desirous of raising money, on a note of four months, drawn by himself, and endorsed by B., authorized a broker to buy an additional guaranty for the purpose of getting the note discounted. The endorsement of K. was obtained, who received therefor a commission of three per cent. The note was discounted at a bank. About the time it

fell due, M. made another note, endorsed by B. and L., which K. discounted, and the proceeds were applied in payment of the first note. The second note not being paid, K. brought suit against the maker and endorsers. The defence was usury, and the case was referred. The referee reported, that K.'s participation in the transaction was the mere sale of an endorsement, and did not amount to a loan within the meaning of the statute; that K., at the time he discounted the second note, did not have any *express notice* that the avails were to be applied in payment of the first. The Supreme Court sustained the report, and rendered judgment in favor of K., and the Court of Errors affirmed the judgment; though it seems, had it clearly appeared that K. discounted the second note with a clear knowledge that the avails were to be applied in payment of the first, the judgment of the Supreme Court would have been reversed, on the ground that the transaction relating to the first note amounted to usury, as between K. and M. *Barber v. Ketchum*, 7 Hill, 444; *aff'g* 4 Hill, 224.

25. When J. held a note for \$1,000, which he desired D. to get discounted, which he did upon the credit of his own endorsement, and received the avails, which he paid over, *except* \$30 which he retained for his endorsement and trouble, (it appearing, however, that the only *trouble* he experienced was a few rods travel;) *held*, that as a question of law, as between J. and D., the transaction was usurious. *Steele v. Whipple*, 21 Wend. 103.

26. A lender is not allowed to make it a *condition* of the loan, that he shall receive a compensation for his services in obtaining the money; for the allowance of such a demand would tend to usury and oppression, if it be not usury in itself. *Hine v. Handy*, 1 John. Ch. 6.

27. Creditors have a right to insist that their money, when it becomes due, shall be paid to them at their place of residence; but, if they live at a distant place, and the debtor, in consideration of a stipulation that the money may be paid at his residence instead of theirs, agrees to pay them the difference of exchange between the two places, it is not usury, unless it appears to be a device to evade the law, and obtain more than legal interest. *Williams v. Hance*, 7 Paige, 582.

28. When W. resided in G., and was indebted to H., who resided at N., some two hundred miles distant, and upon application of H. to W., at his place of residence, to pay the debt, it was agreed that H. should give time, upon being secured by bond and mortgage; and that W. should allow H., in addition to the legal interest, interest for fifteen days, the time which it was estimated might be required to obtain the money at N., after it was paid, and the further sum of \$20 for travelling expenses, which two sums were included in the bond and mortgage; *held*, that the bond and mortgage were usurious. *Id.*

29. When one applies to a bank to discount certain notes, and it is made a condition of the discount, that the holder of the notes should take bills of exchange at more than their cash value in the market at that time; *held*, usurious; and a custom among sellers of bills of exchange to charge more for them when sold on credit, than when sold for ready

cash, cannot alter the nature of the transaction. *Pratt v. Adams*, 7 Paige, 636.

30. Selling uncurrent notes, when two or three per cent. below par, at their nominal value in current money, to be paid within a short time, if a cover for a loan, is usury. *Ib.*

31. When it was a part of the agreement for a loan that the borrower should take uncurrent bills, at a higher rate than their actual value, and for more than they were really worth, to either party, in cash or current funds, the loan was usurious; but when the borrower received uncurrent bills for his own accommodation, the lender being willing to let him have current money if he would wait till the bank was open, it is no violation of either the letter or spirit of the usury laws. *Cleveland v. Loder*, 7 Paige, 558.

32. Whenever the lender stipulates even for the chance of an advantage beyond the legal interest, if he is entitled to receive the money lent with interest at any rate, the contract is usurious. *Ib.*

33. A country bank discounted a bill, payable at large, and paid its drafts on New York, deducting, besides the usual discount, the difference of exchange; held, not usurious. *Cayuga Bank v. Hunt*, 2 Hill, 635.

34. When the borrower seeks and takes depreciated and uncurrent bills at par as a loan, for his own accommodation, it is not usury. *Rockwell v. Charles*, 2 Hill, 499.

35. Taking a compensation for the difference of exchange, when a loan is made on a draft on a distant place, and which is wanted for the purpose of being actually used there, and not as a mere cover for usury, is not illegal. *Ontario Bank v. Schermerhorn*, 10 Paige, 210.

36. Loaning uncurrent money, to be repaid in current funds within a short period, where it appears that the discount upon the uncurrent money is very trifling, and that it will pass current in the market by way of trade, is *per se* usurious. *Slosson v. Duff*, 1 Bar. 433.

37. Unless there is something in such a transaction which shows it to have been a mere contrivance to obtain more than the legal rate of interest, the statute is not violated. *Ib.*

38. It should appear in such a case, that the uncurrent money was not worth, to either party, the amount at which it was received. *Ib.*

39. A loan of trust certificates of deposit, worth in the market less than the amount which is agreed to be repaid for them with interest, is usurious. *Farmers' Loan and Trust Co. v. Carrol*, 5 Bar. 613.

40. C. covenanted to assign to a bank, bonds and mortgages on real estate to the amount of \$13,000, payable in five years, with interest semi-annually, and to guaranty the payment of them; in consideration of which he was to receive from the bank the transfer of certain stock, to the amount of \$6,500, at its nominal value, but which was at that time 25 per cent. below par, and the balance in money. The bonds and mortgages were not assigned, but the bank transferred the stock, and paid the money on receiving two notes for \$6,500, agreeing to take the bonds and mortgages in payment, if delivered before the notes became

due; held, that the transaction was usurious. *Seymour v. Strong*, 4 Hill, 255.

41. Where the assignees of one who had assigned his estate in trust to pay creditors, before a dividend was made, loaned to one of the creditors of the estate a large sum of money, with notes belonging to the estate which were at the time worth considerably less than was allowed for them; held, that the transaction was not necessarily usurious, but depended upon the interest with which the loan was made. *Sizer v. Miller*, 1 Hill, 228.

42. Where it was agreed between B. and C. that B. should lend C. \$687, to be repaid in three years, and that C. should purchase of B. sixteen shares of turnpike stock, to be delivered at a certain time and place, for \$400, when in fact the shares of stock were worth only \$250; held, an usurious transaction. *Rose v. Dickson*, 7 John. R. 196.

43. If on an application for a loan of money, the sale of shares in an insurance company *at par* is made a condition of the loan, when in truth and fact the shares are below par, the transaction is usurious. *Eagleson v. Shotwell*, 1 John. Ch. 536.

44. A note which includes in addition to the principal sum and interest one per cent. as the rate of exchange, is not *per se* usurious, when the note is made payable at a distant place for the accommodation of the maker. *Merritt v. Benton*, 10 Wend. 117.

45. When the maker of a note, in order to obtain a forbearance for three months, agreed with the holder to pay the legal interest due thereon, and the discount upon a new note to be substituted for the old one, and *in addition* to transfer to the holder at par drafts on New York and Albany, worth three fourths of one per cent. premium, to an amount equal to the debt; held, that the new note given pursuant to this arrangement was void. *Seneca Co. Bank v. Schermerhorn*, 1 Denio, 133.

46. When a creditor at the request of the debtor, and upon his express promise to pay the expenses thereof, makes a journey to the residence of the latter for the purpose of settling the demand, and afterwards includes in the security taken for the debt such expenses, the security is not usurious. *Hargee v. McCulloch*, 2 Denio, 119.

47. But where a creditor of his own accord went to the residence of the debtor to obtain security for his debt, and one half of his expenses upon such journey were included in the security taken, the same being a condition of further credit; held, usurious. *Williams v. Hance*, 7 Paige, 581. When a bank takes, in addition to the legal discount of a note, one half of one per cent. as a charge for collecting in the place where the note was made payable, while at the same time they are selling drafts on that place at a premium, the transaction, it seems, is usurious. *Bank of the United States v. Davis*, 2 Hill, 460.

48. Where C. was to deposit with a bank \$2,000, and take \$5,000 in notes of the bank, which were to be marked; and so long as C. kept the whole of the notes in circulation he was to pay no interest; he was at no time to allow a greater amount to arrive at the bank than the amount of his deposit, and was to pay interest on all the money marked from the

time it arrived, either party reserving the privilege of closing the concern upon giving six months' notice; held, not usurious. *Bank of Chango v. Curtiss*, 19 John. R. 334. It seems that the practice of banks in issuing their post notes at par, is not usurious, if so issued at the request of and for the accommodation of customers, and not as a condition of loans. *Dunham v. Dey*, 13 Johns. R. 40.

49. Giving a certificate of deposit payable at a future day, does not render a bill of exchange discounted by a bank void for usury, when the certificate is granted at the request and for the accommodation of the person obtaining the discount, and there is no intent to take unlawful interest. *Knox v. Goodwin*, 25 Wend. 643.

50. When a bank discounts a note for the legal discount, upon a stipulation by the borrower that he will receive the proceeds in bills of the bank, and keep them in circulation at his own expense until the note matures, the note is usurious. *Pratt v. Adams*, 7 Paige, 615.

51. When an insurance company made a loan on condition that the borrower should effect an insurance with the company, and such insurance was effected, and a premium paid not exceeding the usual rate of charges in such cases, the transaction was not usurious. *Utica Ins. Co. v. Cadwel*, 3 Wend. 296.

52. There is frequently great difficulty in ascertaining whether a contract was intended by the parties as a conditional sale, or a mortgage; and as a general rule, when the agreement was made upon an application for the loan of money, the court, for the purpose of preventing usury and extortion, will construe the agreement to be a mortgage, in case the person to whom the application is made agrees to receive back his money with interest, or a larger sum, and to reconvey the property within a specified time thereafter, in whatever form the writings may be put, if the real object appears to have been a loan of money. In such case, also, the relative value of the property, and the price actually advanced or paid, are to be taken into consideration in determining the interest of the parties. *Robinson v. Cropsey*, 6 Paige, 480.

53. Before giving to a transaction of a doubtful character a construction which will have the effect to create a forfeiture of the security, a court ought to be well satisfied that such construction does no violence to the intention of the parties themselves. *Brown v. Day*, 2 Bar. 29.

54. And it seems, in cases where it is sought to avoid an instrument on the ground of usury, courts incline to favor the right of redemption, and not that of having the security avoided. *Id.* The transfer and guaranty of a note for a larger sum, in consideration of a less sum, is not *per se* usurious; the guarantor, in such case, being liable to refund only the amount received by him, with the interest thereof. *Magugau v. Mead*, 21 Wend. 285.

55. B. purchased of A. a bond and mortgage made to secure the payment of \$3,000, advancing only \$2,600, and at the time took from A. and R. a bond of guaranty, conditioned that the mortgagor should pay to B. the \$3,000, with the interest due on the mortgage; held, only a purchase, and not usurious. *Rapelye v. Anderson*, 4 Hill, 472; reversing, 9 Paige, 484.

56. When an acceptance is given in consideration that the party obtaining it agrees to deliver to the acceptor, within a specified time, a quantity of country produce, such acceptance may be negotiated like other business paper, and the acceptor will not be allowed to object that it was transferred at an usurious rate of interest. *Cameron v. Chappell*, 24 Wend. 94.

57. When A. and B. exchange notes, and A. gets B.'s note discounted at a premium exceeding the legal rate of interest, such a transaction is not usurious, and B.'s note is not thereby invalidated. *Rice v. Mather*, 3 Wend. 62.

58. When A. and B. entered into an agreement, whereby B. was to lend A. a sum of money at an usurious rate, and B. and C. exchanged notes for the purpose of enabling the parties to carry out their agreement, C. knowing well the purpose of the exchange, and then B. discounted C.'s note for A., according to the agreement; *held*, that the transaction was usurious. *National Fire Insurance Company v. Sackett*, 11 Paige, 660.

59. When the holder of a mortgage not due, offered to make a large discount if payment should be made immediately, and the mortgagor agreed with one A. to advance the amount and take an assignment of the mortgage to himself, allowing him a share of the discount for his services in obtaining the money; *held*, that such an agreement was not usurious, and that a subsequent mortgage, given by the mortgagor, including V.'s share of such discount, was valid. *Vroom v. Ditmas*, 4 Paige, 526.

60. A note given to renew and take up a former usurious note, then in the hands of the usurer, without any new consideration, but including interest on the original loan, is equally infected with the first. *Powell v. Waters*, 8 Cowen, 692.

61. The same is true of a note substituted for one in the hands of a party who had notice of the usury. *Ib.*

62. A note valid in its concoction cannot become usurious by any subsequent sale or discount, at any rate whatever. *Powell v. Waters*, 8 Cowen, 669; *Munn v. Commission Company*, 15 John. R. 44; *Cram v. Hendricks*, 7 Wend. 569.

63. But the purchaser of a note valid in its inception, at a discount greater than the legal rate of interest, cannot recover of the vendor more than he actually paid. *Ib.*, and see *Braman v. Hess*, 13 Johns. 52.

64. When the purchaser of land under a contract to pay the purchase money by instalments, had paid the principal part, but being unable to pay a portion of the last instalment, asked for an extension of time, which was denied, except upon condition that the purchaser should re-purchase the land, and pay \$300 in addition to what was due and unpaid under the contract; and the vender thereupon gave a deed for the land, and took back a bond and mortgage, including the \$300 and interest, besides the unpaid balance aforesaid; *held*, a pretended re-sale—a mere cover for usury, and that the bond and mortgage were void for usury. *Crippen v. Heermance*, 9 Paige, 211.

65. When one lets a certain number of sheep, and the party who takes



them agrees to return upon a year's notice the same number of sheep of the same age and quality as those received, and in the meantime to pay annually 50 cents per head for each sheep; *held*, that such a contract is not usurious, if it depends upon *contingencies*, whether the value of the property, at the time of its return, with the amount received by the lender, exceeds the value of the same at the time of making the contract; and interest, at the ordinary rate, for the whole time. *Hall v. Haggart*, 17 Wend. 280.

66. In all such cases the question of usury is one for the jury. *Ib.*

67. A contract to deliver twenty sheep at the end of three years for ten ewes, is not usurious. *Holmes v. Wetmore*, 5 Cowen, 149.

68. Letting a heifer, to be returned at the end of four years with another heifer three years old, is not usurious. *Cummings v. Williams*, 4 Wend. 679.

69. Selling cows on a contract to return double the number at the end of four years, the whole being to a considerable extent put at hazard, is not an usurious transaction. *Spencer v. Tilden*, 5 Cowen, 144.

70. Where an action was brought upon a written contract not sealed, whereby it was stipulated to pay and deliver \$360, or twelve cows at a certain time, &c., for value received, *it was held*, that the value of the consideration and of the cows might be inquired into with the view of ascertaining whether the sum expressed was intended by the parties as a penalty or as liquidated damages; and it appearing that the sum expressed was greater than the value of the cows, with interest, *it was held* to be in the nature of a penalty, and that the recovery must be limited to the value of the cows to be delivered with interest. *Ib.*

71. Taking interest in advance is allowed for the benefit of trade, but the instrument thus discounted must be a *negotiable* instrument, payable at no distant day, under this restriction: taking interest in advance, either by a bank or incorporated company without banking powers, on an individual, is not usurious. *The New York Firemen's Ins. Co. v. Ely*, 2 Cowen, 678.

72. Taking the interest in advance on discounting a note is not usury; but *it seems* this is confined to bankers, and those who deal in commercial paper by way of trade. *Bank of Utica v. Nager*, 2 Cowen, 712.

73. In Taking interest in advance it is lawful to include the three days of grace in the computation, these being, to every practical purpose, a part of a promissory note. *Ib.*

74. But to take interest in advance upon a 90 days' note, calculated at one fourth of a year, is usurious: a usage among banks to cast interest at a year for 360 days, one half a year for 180 days, and one fourth of a year for 90 days, &c., would not prevent its being usurious, though such usage were universal. *Ib.*, and also *New York Firemen's Ins. Co. v. Ely*, 2 Cowen, 678. This rule affirmed in the 8 Cowen, 398; see also *Utica Ins. Co. v. Tillman*, 1 Wend. 555.

75. A mistake in the computation of interest will not make the loan usurious; and when a trifling excess is taken on discounting a note beyond the legal interest, it will be presumed to be by mistake, and not

by the adoption of an erroneous principle of calculation. *New York Firemen's Ins. Co. v. Sturges*, 2 Cowen, 664.

76. It seems that the adoption of an erroneous principle of calculation which gives more than seven per cent., and receiving discount according to that principle, is usury; although the lender supposes he has a legal right so to do. *Ib.*, and also *same party v. Ely*, 2 Cowen, 678.

77. When a contract was made reserving more than legal interest, it was held *prima facie* evidence of a corrupt agreement, which is the foundation of usury; but that this might be repelled by evidence showing that more than legal interest was reserved by mistake, whether such mistake was one of fact or of law. *Archibald v. Thomas*, 3 Cowen, 284.

78. A mortgage taken upon a loan of \$700, to be paid at the end of ten years with interest, is not usurious, although the loan be upon condition that the mortgage, in addition to the interest reserved, shall have, free of rent, the use and occupation of one acre of the mortgaged premises, worth eight dollars a year, if the whole compensation for the loan does not amount to a reservation of *compound interest*. *Fox v. Lipe*, 24 Wend. 165.

79. When A. and B. entered into an agreement with C., whereby in consideration of \$600 loaned them by C., C. was to be their agent in a certain business, and have twenty per cent. on all sales made by him, and one third of all the net proceeds, after deducting the twenty per cent., to apply on the amount loaned till it should be paid; C. to be at some expense and trouble, and be responsible for all sales made by him; held, that the contract was not usurious. *Hall v. Dagget*, 6 Cowen, 653.

80. When a note was made payable to A. and B., and held by C., who wished to sell it to D., but D. refused to take it unless endorsed by A. and B., A. refused to endorse it unless he received security, which it was agreed to give. The note was sold to D., at a discount of twenty per cent., with the understanding between B. and C. that part of the money actually received should be lent to B. B. made a note payable to C. or bearer, for the amount actually received by him from C., with an addition of twenty per cent. on that amount and interest from date, which last note A. took as his security, for his endorsement upon bringing an action against B. on this note; it was held to be usurious and void. *Yerdon v. Hess*, 13 John. R. 492.

81. It is not usurious for the vendor of real estate to require the assignee of a contract for the purchase of the same, to pay the costs of a suit brought upon a note given by the assignor for back interest, as a condition of discontinuing an ejectment suit brought against the assignee, and of giving time for the payment of the principal sum due. *Townsend v. Corning*, 1 Bar. 627.

82. Interest upon interest is not allowed, unless on a special agreement in writing, made after the day of payment has passed. It may be included in a note by agreement of the parties without invalidating it; and if it be paid voluntarily, it will not be usury. *Ib.* See also *Van Benschoten v. Lawson*, 6 John. Ch. 313, and *Mowry v. Bishops*, 5 Paige, 98.

83. But a reservation of compound interest in a new security, such interest having accrued upon a sum previously due, against the will of the debtor, and as a condition of a forbearance upon the new security, affects the new security with usury, and makes it void. *Ib.* See also *Connecticut v. Jackson*, 1 John. Ch. 13.

84. When three persons entered into an agreement to purchase lands for their joint benefit, and one of them was to advance all the money upon the purchase, to be refunded out of the proceeds of the sale only, it is not a contract for the loan or forbearance of money; and a stipulation that the one who advances the money shall receive more than one third of the proceeds of the sales, is not usurious. *Quackenbush v. Leonard*, 9 Paige, 334.

85. The making of the interest on a loan of money payable semi-annually or quarter yearly, and before the principal sum becomes due, does not render the security taken on such loans usurious. *Mowry v. Bishop*, 9 Paige, 98.

86. A note for the payment of a particular sum, with interest from a time anterior to its date, is not in itself evidence of usury; nor is it usurious on selling a note payable at a future day to take a note for the principal, and interest of the note sold computed to the day of the sale, without making any re-rate of interest. *Marvin v. Feeter*, 8 Wend. 533.

87. Wherever by the agreement of the parties a premium or profit beyond the legal rate of interest, for a loan or advance of money, is either directly or indirectly secured to the lender, it is a violation of the statute, unless the loan is attended with some contingent circumstances by which the principal is put in evident hazard. A merely nominal contingency cannot alter the legal effect of the transaction: the risk of loss by the death or insolvency of the borrower is not such a contingency or hazard as will take the case out of the operation of the statute. When there is a negotiation for the loan or advance of money, and the borrower agrees to return the amount advanced at all events, it is a contract of lending within the statute, and whatever shape or disguise the transaction may assume, if a profit beyond the legal rate of interest is intended to be made out of the necessities or improvidence of the borrower, the contract is usurious. *Colton v. Dunham*, 2 Paige, 267.

88. To stipulate for compound interest is not illegal, and notes given for the balance of an account, when interest payable annually has been added and carried into such account, is not void for usury. *Kellogg v. Hickok*, 1 Wend. 521. See also *Connecticut v. Jackson*, 1 John. Ch. 14, and *Tyler v. Yates*, 3 Bar. 222.

89. If trustees use trust money for their own purposes they are chargeable with compound interest. *Scheffelin v. Stuart*, 1 John. Ch. 620.

90. If an executor or administrator convert the trust moneys to his own use, or employ them in his business in trade, he is chargeable with compound interest. *Ib.*

91. When a partner withdraws the partnership funds, and trades and speculates with them so as to make a profit, and refuses to disclose the

profit, *it seems* he is chargeable with compound interest. *Stoughton v. Lynch*, 2 John. Ch. 209.

92. Compound interest is never allowed in favor of a trustee. *Evertson v. Tappan*, 5 John. Ch. 517.

92. No evidence of a usage of trade can be admitted to repel the defence of usury. *Dunham v. Gould*, 16 John. R. 367; *Dunham v. Dey*, 13 John. R. 40.

94. When a note is given for money loaned, for the amount actually lent, with legal interest, such note is not valid if there was an oral agreement to take more than the legal rate, made at the time of the loan. But if such agreement be made subsequent to the time of the loan, though the agreement be usurious, yet it will not avoid the note. *Merrills v. Law*, 6 Cowen, 65.

95. The construction and validity of contracts, which are purely personal, depend upon the laws of the place where the contract was made; unless it was made in reference to the laws of some other place or country, where such contract in the contemplation of the parties thereto was to be carried into effect, or performed. *Chapman v. Robertson*, 6 Paige, 627.

96. But the transfer of lands or other heritable property, or the creation of any interest in, or lien, or incumbrance upon them, must be made according to the laws of the place where the property is situated; and the local law must be resorted to for the purpose of determining what is, or is not to be considered as real or heritable property, so as to give it locality at such place. *Id.*

97. When a personal security is given for money loaned, and no place of payment is mentioned, the residence of the lender at the time of the loan, and the giving of the security, must be regarded as the place of payment, for the purpose of determining whether the contract is invalid on the ground of usury. *Id.*

98. And it seems that when money is loaned upon a security, at a rate of interest allowed by the law of the place where such loan was made, and security given, although made payable at a place when the rate of interest was less, would not be a violation of the usury laws of the latter place, unless it were a device to cover an usurious transaction. *Id.*

99. When A., a resident of New York, applied to B. in London for a loan of money, and it was agreed that A. should, upon his return to New York, execute a bond and mortgage reserving seven per cent. interest upon certain lands in New York, get the mortgage recorded there, and send it to B. in London, whereupon B. was to deposit with A.'s bankers in London the amount of the loan. The agreement was carried into effect; *held*, that the bond and mortgage were a valid security for the loan, according to the laws of New York; and that the usury law of England was no defence to a bill for foreclosure of the mortgage. *Id.*

100. Whether a contract made here for the sale of lands in another State, upon credit, reserving interest at the legal rate of the State where the lands are situated, would be void, if the rate of interest exceeded that allowed by our laws, seems not to have been determined. *Hosford v. Nichols*, 1 Paige, 220; *Van Shaick v. Edwards*, 2 John. Cases, 355.

101. When a contract was made between two citizens of this State for the sale of land, and one of them afterwards removed to Pennsylvania, where the sale was afterwards consummated by giving a deed and taking back a mortgage as security, in which mortgage the New York rate of interest was reserved, which exceeds that of Pennsylvania, it was held that such mortgage was not void for usury. *Hosford v. Nichols*, 1 Paige, 220.

102. When the parties to an usurious loan transfer the scene of their negotiations to another State, when any contract respecting the use of money is valid, which does not violate the principles of natural justice, and then cancel the securities taken upon the original loan, and then make a new agreement upon the subject of the original loan, re-affirming it, and binding the borrower to pay after a season of forbearance, which forbearance forms a part of the consideration of the new agreement, such new contract is not tainted with usury. *Jacks v. Nichols*, 5 Bar. 38.

103. It is competent for the parties to an usurious agreement to free it from its illegal qualities. The excess of interest may be rejected by the lender, and stricken out of the contract; and the borrower may enter into a new and valid obligation to pay the sum originally loaned, with lawful interest. *Ib.*

104. A contract for the loan of money, at a rate of interest allowed by the laws of the State where the contract is made, and where the money is actually loaned, is valid and binding, although by the terms of the agreement, the money is to be repaid in another State, where the legal rate of interest is less, provided such a transaction is not a mere device to evade the usury laws of the State where the money is to be repaid. *Pratt v. Adams*, 7 Paige, 616.

105. But it seems that a contract made out of this State by persons residing here, for a loan of money at a higher rate of interest than is allowed in this State, cannot be enforced here, if it appears that the making of the contract in another State was a mere device to evade the usury laws of this State. *Ib.*

Usury infects and avoids the whole of every agreement or transaction into which it enters. *Rice v. Welling*, 5 Wend. 598.

106. The statute declares void all bonds, bills, notes, contracts or assurances by which there shall be reserved above the rate of seven per cent.; but the courts have made exceptions to this sweeping declaration, which are grounded chiefly upon the principle of protecting innocent third parties. *Ib.*, and *Dix v. Van Wyck*, 2 Hill, 522.

107. Money lent on usury cannot be recovered upon an implied assumpsit, though it will be a good consideration for an express subsequent promise to repay it. *Dix v. Van Wyck*, 2 Hill, 522. *Early v. Mahon*, 19 John. R. 150.

108. There is no possible mode by which an usurious security can be made valid; although the parties to an usurious transaction may reform it by cancelling the original security, and making a new obligation for the amount due after deducting the usury. *Miller v. Hull*, 4 Denio, 104.

109. If an usurious security be given for a pre-existing valid debt, that debt is not destroyed by the illegal security. It may still be recovered

upon the strength of the original consideration, without any reference to the subsequent usurious contract. *Hammond v. Hopping*, 13 Wend. 510.

110. When a loan upon usury has been made, and securities given therefor, a promise subsequently made by the borrower to pay the sum actually received by him, is valid and binding, if the usurious contract has been mutually abandoned, and the securities given up and cancelled, so that they can never be the foundation of a suit. *Ib.*

111. Where there is an usurious agreement upon the loan of money, it is immaterial whether the unlawful excess is actually paid or only promised to be paid. *Ib.*

112. When the original loan is usurious, all the securities therefor, however distant or often removed, are void. *Reed v. Smith*, 9 Cowen, 647.

113. Where one, as agent, lends money for another at an usurious rate of interest, and takes security from the borrower, in his own name, it is void, though he derives no benefit from the transaction, and the premium goes to the exclusive benefit of the principal. *Ib.*

114. Whether a surety becomes bound for and pays a loan which he knows to be usurious, may recover over against his principal, is doubtful. *Ib.*

115. When a new note is given, without any new consideration to take up a note in the hands of the original party to a usurious contract, such note is tainted with the original usury. A mere change of securities for the same usurious loan, to the same party who received the usury, or to a person who had notice of the usury, does not purge the original consideration so as to give a right of action upon the new security. *Tuthill v. Davis*, 20 John. R. 285.

116. The purchaser of an usurious judgment is not entitled to protection against another party's equity, when the purchase money has not been actually paid for the judgment. *Christie v. Bishop*, 1 Bar. Ch. 113.

117. Though the *bona fide* purchaser of a note usurious in its inception, will be affected by the usury, it seems to be otherwise in regard to the *bona fide* assignee of a judgment, which is not within the words of the statute. *Wardell v. Eden*, 2 John. Cases, 259.

118. Where a judgment was recovered upon a usurious transaction, and a note given as collateral security for such judgment, the note will not be affected by the original usury. *Stewart v. Eden*, 2 Caines, 150.

119. An assignment of a debt usurious in its creation, to a third person, with knowledge of the original transaction, will not protect it from the scrutiny of a Court of Equity. *Berry v. Thompson*, 17 John. R. 436, affirming 3 John. Ch. 395.

120. A mortgage made for the purpose of raising money, and assigned upon a loan at a discount of more than seven per cent., is not usurious, unless the assignee knew at the time of the assignment of the purpose for which the mortgage was made. *Jackson v. Colden*, 4 Cowen, 266.

121. Where a mortgage is given as security on an usurious contract, with a power of sale, and the mortgagee, by virtue of the power, sells the land, pursuant to the act concerning mortgages, and becomes himself the purchaser, through an agent for that purpose, and in an action

brought by the purchaser of the equity of redemption against the mortgagee, he sets up a title so acquired by sale under the mortgage, the plaintiff may prove usury in the mortgage, and recover, notwithstanding the mortgage. The statute makes such sales a conclusive bar, only in favor of *bona fide* purchasers, without notice; and the mortgagor being a party to the usurious contract, is in no better situation than if no foreclosure had taken place. *Jackson v. Dominick*, 14 John. R. 435.

122. A *bona fide* purchaser, without notice, under a sale duly made pursuant to the statute, by virtue of a power of attorney, contained in a mortgage, is not affected by usury in the original debt for which the bond and mortgage were given. *Jackson v. Henry*, 10 Johnson R. 195.

123. The declaration of the statute, that the usurious contract and security are utterly void, it seems is applicable only between the original parties, when the suit is upon the very instrument infected with usury. And when the original usurious contract has been changed by a new contract, founded on it, in which an innocent person is a party, the defence of usury cannot be set up against such innocent person. *Ib.*

124. A security, for the payment of money, uncontaminated with usury, in its inception, cannot by any *ex post facto* agreement, for a receipt of more than is allowed by law, for forbearance, be rendered usurious. *Bush v. Livingston*, 2 Caines' Cases, 66.

125. Hence, where a mortgage is assigned to a third person, who pays what is due thereon to the mortgagee, the mortgagor cannot avoid it in the hands of that third person, on account of an agreement to repay him an usurious rate of interest, though the excess will be denied, and only the amount actually paid and lawful interest allowed. *Ib.*

126. When a note is given in renewal of a former note, and a premium, or interest above seven per cent. is exacted for the renewal, the new note is usurious and void, although a separate note was given for the premium, but the old note is not thereby affected or destroyed. *Swartwout v. Paine*, 19 John. R. 294.

127. When a note so made in renewal of another note, on an usurious consideration, was passed by the defendant to the plaintiff, in part payment of the consideration for the sale and conveyance of land, *it was held*, that the plaintiff, who had sued the endorser, and failed to recover because of the usury, might maintain *assumpsit* for the amount upon the original contract, the note being deemed a nullity. *Ib.*

128. An obligation untainted with usury, in its concoction, is not rendered void, and the debtor discharged by the fact, that the holder had hypothecated it, as security for an usurious loan. It is not illegal to buy or sell a security below par. *Warner v. Gouverneur*, 1 Bar. 38.

129. Where an usurious security is given in part for a valid pre-existing debt, such debt is not destroyed thereby. Though an usurious contract contains a good consideration, yet the security being absolutely void, no action can be maintained on it, nor is it evidence of indebtedness, upon the strength of which the law will imply a promise on the part of the borrower to repay the amount actually received by him. *Hammond v. Hopping*, 13 Wend. 503.

130. When a security is taken for a valid loan and a *prior usurious*

one, the whole security is tainted by the usury. *Jackson v. Packard*, 6 Wend. 415.

131. An absolute deed of conveyance of land upon trust, for the payment and satisfaction of certain debts, was not allowed to be set aside on the ground of usury. *Denn v. Dodds*, 1 John. Cases, 158.

132. Where an assignment for the benefit of creditors makes general provision for the payment of debts, usurious debts are not included. *Pratt v. Adams*, 7 Paige, 615.

133. A creditor who has taken a bond and mortgage which have been declared void for usury reserved in the contract between him and the borrower alone, cannot avail himself of such invalidity in the security as regards the principal debtor, in order to maintain an action against the surety. *La Farge v. Huter*, 4 Bar. 346.

134. It is the victim of usury, and not the usurer himself, that can set usury as a defence. *Ib.*

135. An agreement by the creditor to extend the time for payment, on a promise by the principal debtor to pay an usurious rate of interest for the forbearance, will not discharge the surety, for the reason, that as the promise of the debtor to pay usury is void, there is no consideration for the promise of the creditor to forbear. *Vilas v. Jones*, 1 Coms. 287.

136. But an agreement with the principal debtor to extend the time of payment, without the consent of the sureties, founded upon an usurious premium for the forbearance, which premium is actually paid at the time of making the agreement, is a sufficient consideration to support the agreement, and will discharge the surety. *Vilas v. Bacon*, 10 Paige, 76. See, also, *Miller v. McCan*, 7 Paige, 451.

137. Where a party applied to another for a loan of money, and agreed to obtain the bond and mortgage of a third person to secure an usurious loan, and the borrower forged a bond and mortgage upon such third person for the amount, and transferred it to the lender, and received the money, deducting an usurious premium; *held*, that the lender could not recover back the money lent upon usury, by reason of the fraud in the security. *Thomas v. Fish*, 9 Paige, 478.

138. Where an usurious loan was made, and promissory notes were transferred as collateral security for such loan, such notes were void, as between the lender and the borrower; and also as between the borrower and a third person, to whom the lender transferred them, under an agreement to collect them and apply the proceeds towards payment of a debt due him from the lender. *Bell v. Lent*, 24 Wend. 230.

139. A contract usurious in its inception, cannot afterwards be rendered valid; so a note given for a usurious loan, will be void in the hands of a *bona fide* endorser, without notice of the usury. *Wilkie v. Roosevelt*, 3 John. Cases, 206.

140. Where an usurious note has been transferred for a valuable consideration, and without notice, and a new note taken by the holder, the usury of the first note is no defence to an action on the second note. *Kent v. Walton*, 7 Wend. 256.

141. Wherever a note or bill in the inception is valid; and the payee or promisee, at maturity, can maintain an action upon it, a transfer by en-



dorsement, at a discount even beyond the legal rate of interest, will be regarded as a sale, and a valid and legal transaction; but not so when the paper, in its origin, was only a nominal transaction—for example, was endorsed for the accommodation of the maker, and has no legal inception till its delivery to the holder, who took it as security for a usurious loan. *Jones v. Hake*, 2 John. Cases, 60; *Wilkie v. Roosevelt*, 3 John. Cases, 66.

142. A promissory note has no legal inception till it is delivered to some person as evidence of a subsisting debt. Hence, a note made payable to B. or bearer, but never delivered to B., but transferred to C., as security for an usurious loan, is usurious and void. *Marvin v. McCullum*, 20 John. R. 288.

143. The test of a valid notice is the right to maintain an action upon it, against the parties thereto; and where it could not be available till discounted, and is discounted at an usurious rate, it is usurious and void; and this, *it seems*, whether the party discounting it knew it to be a note before unavailable, or not. *Powell v. Waters*, 8 Cowen, 669; *Munn v. Commission Co.* 15 John. R. 44; *Bennet v. Smith*, 15 John. R. 355.

144. The provision of the Revised Statutes, making usurious paper valid in the hands of an endorser or holder who took it in good faith for valuable consideration, and without express notice of usury in its inception, has no retrospective operation. *Hackley v. Sprague*, 10 Wend. 113.

145. The maker of a note is not precluded from setting up the defence of usury against the endorser, if the note was made, and became payable previous to the 1st January, 1830, although transferred for a valuable consideration, after the Revised Statutes went into effect. *Ib.*

The protection of the statute extends only to the innocent endorser or holder, who received the note for valuable consideration in the usual course of trade, and before due. *Ib.*

146. When a bank discounts a note to *extinguish* a debt due to it from the holder, or applies the proceeds of it towards the *discharge* of his liability, such acts are equivalent to paying value at the time, and constitute the bank a holder, for a valuable consideration. *Bank of Sandusky v. Scoville*, 24 Wend. 115.

147. In an action against the maker of an usurious note, it is enough in the first instance, for the defendant to show that the note was usurious and void in the hands of the payers; that would cast on the holder the burden of showing that he paid a valuable consideration for it. Whether it would be necessary for him to go beyond that, and show also that he took the note before due, and in the usual course of business, or whether the date of the endorsement and the fact of subsequent possession would be sufficient *prima facie* evidence of good faith, *quere?* *Seymour v. Strong*, 1 Hill, 563.

148. A party who buys an accommodation note, before it has been used for any business purpose, is not entitled to the protection of the statute as a holder in good faith; though he took the note, supposing it to be business paper. *Acby v. Rapelye*, 1 Hill, 9.

149. When negotiable securities were made for the sole purpose of being sold at an usurious discount, and the holder and apparent owner of them sells them at a discount, to a *bona fide* purchaser, who has no knowledge of the purpose for which they were made, the holder repre-

sending them to belong to himself, and to be business paper, the transaction was not usurious as between the vendor and vendee. *Holmes v. Williams*, 10 Paige, 332.

150. Whether the purchaser of a negotiable note, at a greater discount than legal interest, from a person who was supposed to be the legal holder and owner thereof, but who was in fact the mere agent of the drawer, rendered the note void for usury, in the hands of the purchaser, or whether such purchaser was protected to the extent of the money actually paid for the note, under the provisions of the statute in force, previous to that of May, 1837, *quere?* *Mitchell v. Oakley*, 7 Paige, 68.

151. The act of 1837 repealed the provision of the Revised Statutes, making an usurious note valid in the hands of a *bona fide purchaser*; but a note made before that act, cannot be transferred subsequent to it, so as to make it valid in the hands of a *bona fide* holder. *Morse v. Hovey*, 9 Paige, 197.

152. Under the provisions of the Revised Statutes, as they were previous to the act of 1837, the *bona fide* purchaser of an usurious note, who received notice of the usury subsequent to his purchase, but before he had paid the full amount for the same, could recover from the maker no more than he had actually paid for the note, before notice of the usury. *Judd v. Leaver*, 8 Paige, 548.

153. When a party to an usurious note, gave to a *bona fide* holder a new security, after the note became due, such security was held valid, although the holder had notice of the usury before the new security was given. *Sundberg v. Simpson*, 2 San. 85.

154. When cross notes are made, and specifically exchanged by the maker, each note is the proper debt of the maker thereof, and each holder is a purchaser for value; such a note is strictly business paper, and although discounted at an usurious rate, its validity is not affected as respects the maker. *Dowe v. Schutt*, 2 Denio, 623.

155. The legal attributes of accommodation paper are not changed by a promise, performed or unperformed, to give security for its payment, by the person for whose benefit it was made; and if such paper be transferred at an usurious rate, it is void for usury; and the maker can set up the defence of usury, although the payer, when he transferred it, represented to the holder that it was business paper. *Ib.*

156. And when upon such transfer the payer informed the holder that it was business paper, and guaranteed the payment of it, and the maker, when it fell due, took it up, and gave his second note directly to the holder; *held*, that such second note was usurious. *Ib.*

157. But the payer in a suit, upon the guaranty, could not set up usury. *Ib.*

158. When the payer of a note transferred it by endorsement for a valuable consideration to a third person, who took it without notice of the usury; *held*, in an action against the payee, as endorser, that the endorsement amounted to a new and independent contract between the parties, and that the defendant could not set up usury as a defence. *M. Knight v. Wheeler*, 5 Hill, 492.

159. The payee is estopped from setting up usury as a defence against his endorser, whom he has induced to purchase the paper by false

representations regarding its character ; it appearing that the holder took the paper, confiding in, acting upon and deceived by such representations. *Truscott v. Davis*, 4 Bar. 495.

160. To render a contract usurious, both parties must be cognizant of the facts which constitute the usury. And if a bona fide holder of a negotiable note, which was tainted with usury, in the hands of the original payee, receives from the maker a new security for the debt, and gives up the note without any knowledge of the usury, such new security is not usurious. *Aldrich v. Reynolds*, 7 Bar. Ch. 43.

161. A surety is a borrower within the meaning of the statute, and is entitled to avail himself of the defence of usury. *Livingston v. Harris*, 11 Wend. 330. See also *Vilas v. Jones*, 1 Coms. 274.

162. The surety in an usurious contract has a right to set up the defence of usury, and to file a bill in chancery if necessary to establish such defence, although the principal debtor refuses to join as complainant in the bill ; but he cannot make the principal debtor a complainant in the chancery suit without his consent. *Morse v. Hovey*, 9 Paige, 197.

163. A mere stranger cannot insist upon the invalidity of an usurious security ; but the defence of usury may be set up by any one who claims under a mortgagor and in privity with him. *Post v. Dart*, 8 Paige, 640.

164. The purchaser of a mere equity of redemption in mortgaged premises, encumbered by an usurious mortgage, who, by the terms of his conveyance, took the premises subject to the lien and payment of such mortgage, cannot set up the defence of usury in the mortgage. *Ib.* See also *Cole v. Savage*, 10 Paige, 583.

165. A subsequent judgment creditor whose judgment becomes a lien upon the whole interest of the mortgagor, may avail himself of the defence of usury, to the full extent of his legal lien. *Post v. Dart*, 8 Paige, 640.

166. Where H. gave his bond to C., conditioned to save harmless and indemnify C. against his liability, as the maker of a promissory note, then in the hands of a third party, and to pay the same, or cause it to be paid, H. could not, in an action on the bond, set up usury in the note. *Churchill v. Hunt*, 3 Denio, 321.

167. Privies in law, as the assignee in bankruptcy, or the sheriff in execution, and privies in estate, may avail themselves of the defence of usury. *Dix v. Van Wyck*, 2 Hill, 522 ; *Jackson v. Dominick*, 14 John. R. 435.

168. Where, after a recovery in ejectment, the defendant's title was sold on judgment and execution, and the purchaser brought ejectment against the former recoverer, who set up a mortgage against the former defendant, which proved to be usurious and void ; held, that the purchaser should recover. *Jackson v. Tuttle*, 9 Cowen, 233.

169. A purchaser under a judgment and execution, being an assignee of the debtor, by operation of law, may set up usury against

one claiming the property, in virtue of a prior encumbrance. *Dix v. Van Wyck*, 2 Hill, 522.

170. The purchaser of mortgaged premises from the mortgagor, who takes the same subject to the lien and payment of the mortgage, acquires the equity of redemption merely, and cannot set up the defence of usury in the mortgage. *Morris v. Floyd*, 5 Bar. 130.

171. A mortgagee of premises may set up usury in a senior mortgage. *Ib.* Overruling upon this point, *Mechanics' Bank v. Edwards*, 1 Bar. 271.

172. The owner of land, who has given a usurious mortgage thereon, may sell or mortgage the land to another, generally, and give to such purchaser or mortgagor, the same right to contest the validity of the usurious mortgage, as he has himself. But if he sells the equity of redemption only, or sells or mortgages the land subject, in express terms, to the previous mortgage, the purchaser or mortgagee cannot question the validity of the previous mortgage. *Shufelt v. Shufelt*, 9 Paige, 138.

173. When the purchaser of real estate, procured the conveyance to be made to trustees, as security for a loan alleged to be usurious, and the land was subsequently conveyed by the trustees to a third party for a specified sum, part of which was secured by bond and mortgage for the benefit of the lender of the money; *held*, that the mortgagor could not set up usury between the original parties to avoid payment of his bond and mortgage. *Story v. The Amer. Life Ins. Co.*, 11 Paige, 635.

174. When the defendant himself waives his defence to a judgment, on the ground of usury, a subsequent purchaser, under him, with notice of the judgment, cannot impeach it. *French v. Shotwell*, 20 John. R. 66S. Affirming 5 John. Ch. 555.

## II. Pleading and evidence and remedy.

1. A borrower, who has paid more than the legal rate of interest, is not confined to the remedy given by the statute to prevent usury; but may bring an action of assumpsit, at common law, to recover the excess of interest; but to entitle him to maintain the action, he must show that he has paid, or offered to pay, all the principal really lent, with lawful interest. *Wheaton v. Hibbard*, 20 John. R. 290.

2. If the lender does not raise the objection at the trial, that the principal and legal interest have not been paid by the plaintiff, but rests his defence on other and different grounds, such payment will be presumed from his silence; and the objection cannot afterwards be made, when the cause comes up for review, on appeal, or writ of error. *Ib.*

3. The statute to prevent usury authorizes a party paying usurious interest, to sue for and recover the excess above seven per cent., within one year then next, with cost of suit, in an action of debt,

founded on the act. It then provides, that if the person paying usury shall not, within a year, really commence his suit for the money so paid, then it shall be lawful for any other person, within one year after such neglect, to sue for and recover the same, one half whereof is given to such person, and the other half to the use of the poor of the town where the offence is committed. And it seems, that if the injured party neglects to pursue the statute remedy for more than a year, his remedy at common law would be suspended during the second year, for possibly a third person may prosecute. *Ib.*

4. In an action *qui tam* by a common informer, the declaration must state that the party aggrieved neglected to sue within one year, in order to give the plaintiff a right of action. *Morrel v. Fuller*, 7 Johns. R. 402.

5. The general form of declaring mentioned in the act is given to the borrower only; but the common informer must set forth his cause of action specially and state the usury. *Same case*, 8 John. R. 218.

6. The right of a borrower is limited, and lost by the interference of the *popular* action, given by the statute, before he has asserted his right. But until such a popular action has been commenced, and some third person has thereby created and attached a right in himself, it seems the party aggrieved may have his action, after the year, equally as if no such popular action had been given. *Palmer v. Lord*, 6 John. Ch. 100.

7. To a plea, of the statute of usury, the plaintiff may reply directly that it was not corruptly agreed in manner and form, &c., without a traverse, and conclude to the country. *Waterman v. Haslins*, 7 John. R. 283.

8. When any part of an usurious contract remains executory, such part is usurious and void; and an usurious agreement is incapable of ratification. *Schroeppel v. Corning*, 5 Denio, 236.

9. When an usurious loan was connected with the sale of real property by the lender, and the borrower filed a bill in Chancery, to rescind the purchaser on account of fraudulent representations, and the bill was dismissed, with liberty to bring another suit upon different grounds; *held*, that the borrower might bring trover for personal property transferred by him as part of the usurious contract. *Ib.*

10. In trover, for personal property delivered under an usurious contract, the declaration must set forth that it was received by the defendant contrary to the statute concerning the interest of money, and the omission of such statement, if objected to on the trial, will be fatal. *Ib.*

11. Trover will not lie for goods delivered in *payment* of an usurious debt; the only remedy in such case is, upon the statute, to recover the excess beyond legal interest. But, it seems, when goods are delivered in mortgage to secure an usurious debt, or upon an usurious consideration, trover will lie. *Ackley v. Finch*, 7 Cowen, 290.

12. The statement of a lender that he had made an usurious loan, at a certain rate, and on a certain security, and that those were his

usual terms, is no ground from which a jury may infer that a loan, the next year, for a different sum, and upon the same kind of security, was usurious, or that a security taken the next year, in the same form, for a different sum, was a renewal of the former security, or in any manner connected with it; nor is the general character or habit of a lender ground for presuming usury in a particular loan. *Jackson v. Smith*, 7 Cowen, 717.

13. When a judgment was entered by confession, on bond and warrant, it was set aside for usury; the usury being sworn to by the defendant, and not denied by the plaintiff. *Lansing v. M'Killup*, Cowen, 35.

14. When usury is a defence, and the verdict is against the weight of evidence, such verdict will not be set aside. *Mansfield v. Wheeler*, 23 Wend. 79.

15. Evidence of usury is admissible under the general issue in *assumpsit*; and the defendant is not restricted to the notice accompanying the plea. The notice does not preclude him from any defence which he could have made if no notice had been given. *Fulton Bank v. Stafford*, 2 Wend. 483.

16. Usury is a hard and unconscionable defence. If a defendant intends to rely upon it, he must set it up at the proper time and in the proper manner; especially if his object is to call the plaintiff as a witness under the statute of 1837. *Lovett v. Cowman*, 6 Hill, 223.

17. Accordingly, when the defendant, intending to avail himself of the testimony of the plaintiff, to prove his defence, gave notice of the defence of usury, but the affidavit verifying the notice was insufficient, the court refused an application for leave to amend, by annexing a new affidavit to the notice. *Ib.*

18. When the defendant has verified his plea, or notice of the defence of usury by affidavit, the statute has provided that he may call and examine the plaintiff as a witness, and no order of the court is necessary for that purpose. *Miller v. M'Cagg*, 4 Hill, 35.

19. The only mode of procuring the attendance of the plaintiff as a witness, is by regularly subpoenaing him; he is not bound to regard a mere notice to attend. *Rapelye v. Prince*, 4 Hill, 119.

20. The section of the statute authorizing the defendant to call the plaintiff as a witness, was intended to give the defendant the right to insist upon a personal examination of the plaintiff at the trial; and the latter ought not to be allowed, by absenting himself from the State, to compel the defendant to resort to a commission. *Vermilyea v. Rogers*, 4 Hill, 567.

21. Whether a commission may issue for the purpose of examining the plaintiff in such a case, *quere?* *Ib.*

22. When the defence is usury, and the plea has been only verified, it seems the defendant may claim the personal attendance of the plaintiff, when the latter is a non-resident of the State, and is not bound to accept a commission, to take his testimony. The court in bank, however, will not make any order in the matter; the proper course is to apply to the circuit judge to put off the trial, in case

the plaintiff does not attend after receiving notice to that effect. *Bosworth v. Perhamus*, 20 Wend. 611.

23. The notice required by the statutes is to be given as in other cases, under the general issue. It must contain all the substantial requisites of a good plea of usury—a precise statement of the usurious contract, and the amount of the usurious interest received. *Cloyes v. Thayer*, 3 Hill, 566.

24. When, in an action upon a promissory note, the defendant gave notice, in general terms, that he would prove the note to have been given for money loaned upon a usurious consideration; *held*, that the notice was defective. *Ib.*

25. One who secures to himself a usurious premium, by retaining more than lawful interest out of the amount of a security discounted by him, is indictable for receiving usury contrary to the statute. *Bank of Salina v. Henry*, 2 Denio, 155.

26. A witness cannot be compelled to testify to the fact of having taken usury in that manner. *Ib.*

The plaintiff in interest, as well as the plaintiff on the record, may be compelled to testify regarding the usury; but when one is called, as a party in interest, to testify, he must be proven to be the party in interest. *Ib.*

27. The tellers of a bank, who were plaintiffs in a suit, it was alleged, had discounted a note for a usurious premium, with knowledge that it had been offered to the bank for discount, and refused, and the teller was called to prove these facts; *held*, that he was privileged from testifying, on the ground that his testimony would tend to subject him to a forfeiture of twice the amount of the loan, under the provisions of the Revised Statutes. *Ib.*

28. If the cashier of a bank receive usury in discounting a note in behalf of the bank, he is liable to an indictment under the statute making usury a misdemeanor; and where the bank sued upon such a note, the cashier was privileged from testifying. *Curtis v. Knox*, 2 Denio, 341.

29. It seems that the real plaintiff in a suit at law, upon an usurious note, who has brought his suit in the name of another person, as the nominal plaintiff, may be compelled to testify as to the usury. *Biggs v. Butler*, 9 Paige, 226.

30. If a party comes to a court of equity, he must do equity before he can have equity. He must pay, or offer to pay, the amount due, before he will be entitled to an injunction, or to answer as to usury. But if he answers the bill without making any objection on that ground, the court will not afterwards dissolve the injunction, if it appears there is usury, and if the defendant is then willing to pay the sum really due. *Morgan v. Schermerhorn*, 1 Paige, 544.

31. When a party comes to Chancery to avoid a usurious contract, he must consent to pay the sum actually loaned, with interest, or the court will not grant him any relief. *Fulton Bank v. Beach*, 1 Paige, 429.

32. So the court will not allow the proofs to be opened after

being regularly closed, nor an answer to be amended in order to let in or set up the defence of usury, unless the defendant consents to pay the sum equitably due. *Ib.*

33. On a bill for discovery, on a charge of usury, an injunction will not be granted to stay proceedings, at law, on the notes or usurious contract, unless the plaintiff tenders, or brings into court the money actually lent, and the lawful interest thereon. *Rogers v. Rathburn*, 1 John. Ch. 367. See also *Tupper v. Powell*, 1 John. Ch. 439.

34. When a party makes the discovery of the usury, and a return of the excess beyond lawful interest, after a judgment at law against him, the court will not relieve him, for the usury would have been a good defence at law, and no reason appears why the defendant did not seek the discovery while the suit at law was pending. *Lansing v. Eddy*, 1 John. Ch. 49.

35. Money which has been recovered and collected in a suit at law upon an usurious security, in which suit there was a legal defence, cannot be recovered back from the plaintiff, either at law or in equity. *Bartholomew v. Yaw*, 9 Paige, 165.

36. A party who has a legal defence to a suit, must avail himself of it in that suit; and if a bill of discovery is necessary, he must not wait till after judgment, under the expectation that he can recover back the money collected under such a judgment, by the aid of a court of equity. *Ib.*

37. When two persons are sued at law on a contract alleged to be usurious, one of them cannot file a bill in Chancery against the plaintiff in the suit at law for the mere purpose of availing himself of the testimony of his co-defendant to establish the usury. *Savage v. Todd*, 9 Paige, 178.

38. But where the defence is personal as to one of the defendants at law, and such defence can only be established by the testimony of the co-defendant, the former may file his bill in Chancery for relief to enable him to obtain the testimony of the latter. *Ib.*

39. When the plaintiff was sued at law, on an instrument alleged to be usurious, and suffered a verdict and judgment to be taken against him without making a defence or applying to a court of equity on a bill of discovery, he was held to be concluded, and not entitled to relief. *Thompson v. Berry*, 3 John. Ch. 395.

40. The owner of premises against which an usurious mortgage is attempted to be enforced in the court of Chancery, must set up the defence of usury in his answer. He cannot avail himself of a defence set up in the answer of a co-defendant, from whom he purchased, who has no interest in or lien upon the mortgaged premises. *Vroom v. Ditmas*, 4 Paige, 526.

41. When A. borrowed money of B. at an usurious rate, and gave his bond and mortgage for the money loaned, with the usurious premium, and B. subsequently took from A. his note for a part of the usurious premium for further forbearance, which note was also signed by C. as surety, and A. afterwards conveyed the mortgaged



premises to C. with warranty, and C. gave a covenant to B. to pay the usurious bond and mortgage, and subsequently filed a bill for the purpose of having the several usurious securities delivered up and cancelled; *held*, that as he did not ask for a discovery as to the usury, he was not bound to pay the amount which was equitably due upon the usurious securities, as a condition to the granting of the relief sought by his bill. *Cole v. Savage*, 10 Paige, 583.

42. When a party can establish the defence of usury at law by a competent witness, without a discovery in Chancery, but is so situated that he cannot avail himself of the testimony of that witness in the suit at law, he may resort to Chancery for relief. And he is not bound to rely upon the evidence of the real plaintiff in the suit at law. *Morse v. Hovey*, 1 Bar. Ch. 405.

43. If a mortgage is usurious, and a cloud upon the title of the mortgagor, he is entitled to come into a court of equity, for the purpose of having the mortgage cancelled; but he would not be entitled to an injunction to prevent his adversary from trying the question of usury before a jury, unless a discovery is necessary, or some other obstacle exists to the making of the defence at law. *Hartson v. Davenport*, 2 Bar. Ch. 77.

44. When a judgment was recovered upon a note previous to the act of 1838 for the prevention of usury; *held*, that the party against whom a judgment was recovered could not come into a Court of Chancery for a discovery and relief without offering to pay the money actually lent, with legal interest thereon. *Campbell v. Morrison*, 7 Paige, 158.

45. When the payee of an usurious note made a pretended transfer to a third person, in whose name a suit at law was brought, whereby the makers of the note were defrauded out of their defence at law; *held*, that the defendants at law could sustain a bill against the real plaintiffs at law, for discovery and relief, upon the ground that such defendants had been defrauded and deceived, in respect to their defence at law. *Post v. Boardman*, 10 Paige, 580.

46. When two give their note to a third person, and confers judgment upon it, neither can file a bill for relief on the ground of usury, without showing a sufficient reason for not joining the other; nor can the other be made a witness to establish the usury. *Boughton v. Allen*, 11 Paige, 321.

47. The word "plaintiff," in the second and eighth sections of the act to prevent usury, extends to the party in interest, although he may not be the party on the record. *Henry v. Bank of Salina*, 5 Hill, 523; *Stevens v. White*, 5 Hill, 548. These cases reverse 1 Hill, 555.

48. When, in an action on a promissory note, the defendant pleaded the general issue, and gave notice of the defence of usury, verifying the notice pursuant to the act; *held*, that he might call and examine the plaintiff in interest, although the action was brought in the name of another. *Henry v. Bank of Salina*, 5 Hill, 523.

49. The offence of misdemeanor, created by the act, is not con-

summated till the usury is actually received; hence a new agreement to receive it will not render the party indictable. \**Ib.*

50. When the maker, payee and endorser were sued upon a promissory note, and the former pleaded the general issue, and gave notice of the defence of usury, no plea having been interposed by the endorser, and the action was served, and judgment entered against him by default; and, on the trial of the issue as to the maker, the endorser was called as a witness to prove the note usurious, as being the plaintiff in interest, and the circuit judge decided that he was not bound to testify; *held*, that his decision was erroneous. *Stevens v. White*, 5 Hill, 548.

51. When the defendant intends to call and examine the plaintiff pursuant to the act, the affidavit verifying the plea or notice must state positively that the same is true of the defendant's own knowledge, in substance and matter of fact; an affidavit that he believes it to be true will not suffice. *Kingsland v. Cowman*, 5 Hill, 608.

52. A defective affidavit cannot be aided by one made at the trial. *Ib.*

53. The act of 1837 did not enlarge the jurisdiction of the Court of Chancery, and when a bill to avoid or relieve against an usurious contract does not show that the party has not a perfect defence at law, the objection is one which goes to the jurisdiction of the court, and when properly taken is fatal to the complainant's right to sue in Chancery. *Minturn v. Farmers' Loan and Trust Co.* 3 Coms. 500.

54. The allegation of the defendant that he is informed and believes the transaction to be tainted with usury, is not sufficient to render it necessary to file a replication to that answer. *Suydam v. Bartle*, 10 Paige, 97.

55. When a defendant attempts to set up the defence of usury in Chancery, he must in his answer, as in a plea or answer in a suit at law, set up the corrupt agreement distinctly, stating in substance the usurious contract, and he must prove it as alleged. An answer which contains only a general charge, that the cause of the execution of the bond and mortgage was a corrupt and usurious agreement, whereby the lenders bargained and agreed to receive, secure or in some way obtain a greater sum than seven per cent., by a pretended sale of property, or in some other way, is bad both in form and substance. *New Orleans Gas Co. v. Dudley*, 8 Paige, 456.

56. An answer, setting up the defence of usury under the laws of this State, must set out particular facts and circumstances of the alleged usurious agreement, so that the court may see that the agreement was a violation of the statute. It is not sufficient to state that the bonds alleged to be usurious were made to be sold at an usurious premium and were so sold. *Curtis v. Masten*, 11 Paige, 15.

57. When the defendant wishes to set up the defence of usury, upon the ground that the securities alleged to be usurious were first sold in another state or country, in violation of the usury laws of that state or country, he must state in his answer, what those laws were at the time of the supposed usurious sale, and the particular facts

and circumstances which rendered the transaction usurious under those laws. - *Ib.*

58. Our courts cannot take notice of the usury laws of another state; they must be proven. *Hosford v. Nichols*, 1 Paige, 220.

59. When a bill charged that the promissory note of R. was given to the complainants to enable them to borrow money on it from H. at an usurious discount, without stating that the facts occurred when H. was present, or that they were within his personal knowledge; *held*, that the answer of H., which stated that as to all those matters he was ignorant whether, &c.—using the words of the charge in the bill—without saying in terms whether he had any information and belief on the subject, was stating that he could not answer the charge as to his information and belief, was insufficient, and properly excepted to on that ground. *King v. Ray*, 11 Paige, 235.

60. If the security upon which a suit is instituted is a mortgage or other specialty, the defendant cannot avail himself of the defence of usury under a general answer denying the complainant's right as claimed by the bill. The defence of usury must be distinctly set out, and the terms of the usurious contract clearly and correctly stated and proved. *Vroom v. Ditmas*, 4 Paige, 528.

61. Where a defendant cannot answer as to particular facts charged in the bill, without criminating himself or subjecting himself to a penalty or forfeiture, he may demur to the discovery, and answer as to the relief; or object to the discovery of any matters charged in the bill tending to subject him to a criminal prosecution or forfeiture. *Livingston v. Harris*, 3 Paige, 528.

62. When the defendants in a foreclosure suit, having set up the defence of usury in their answer, which was put in without oath, applied for an issue to try the question of usury by a jury; *held*, that it should not be granted without an affidavit, showing to the satisfaction of the court, that they had probable grounds of defence, and that the answer was not put in merely for delay. *Sea. Ins. Co. v. Day*, 9 Paige, 369.

63. Upon a bill to set aside a contract on the ground of usury, when the contract was made with the defendant personally, if any of the facts stated in the bill are not denied in the answer, they will be taken under the provisions of the 17th rule of the Court of Chancery. *Anderson v. Rapelye*, 9 Paige, 483.

64. When a merchant being in embarrassed circumstances, borrowed money at different times, of his confidential clerk, giving him bonds and security therefor at an usurious rate of interest, and during the period of ten years the parties, from time to time, came to a settlement, the merchant at such times giving bonds and further securities for the balance of principal and interest due; the court ordered all the bonds, securities and obligations to be set aside, and the entire accounts at large, between the parties, to be opened from the commencement of their transactions; there being evidence of mistakes and omissions, as well as of oppression, imposition and undue advantage taken of the necessities of the principal. *Barrow v. Rhinelander*, 1 John. Ch. 550.

65. The master, in stating the account between the parties, was directed to allow rests therein, at such times as the parties liquidated their accounts, and agreed that the interest due should be considered as principal, and that the clerk should be charged with all securities assigned to him, which had been paid, or which he had refused to deliver to his principal for collection, or which had been lost by his negligence, default or want of diligence in collecting them, with interest, &c. *Ib.*

66. A defendant who has put in his answer, setting up the defence of usury, cannot be made a competent witness for a co-defendant, to establish the usury charged, by giving a stipulation abandoning his defence to the suit, and consenting that the bill may be taken as confessed against him, and that the complainant may take a decree against him for the amount he may prove due. *Mann v. Cooper*, 1 Bar. Ch. 185.

67. The provisions of the Revised Statutes giving jurisdiction to the Court of Chancery to make a personal decree against the mortgagor, or his surety, or any party who is personally liable for the debt, do not extend to a case where the complainant has no right to come in a court of equity to foreclose the mortgage as against the interest of any one in the mortgaged premises, or any part thereof. *Ib.*

68. It is the settled practice of the Court of Chancery, not to set aside a regular order, taking a bill as confessed to enable the defendant to set up an unconscientious defence. *Quincy v. Foote*, 1 Bar. Ch. 498.

69. When the defence is usury, the court requires the defendant to undertake that he will not avail himself of that defence, except as to the amount of the usurious premium. *Ib.*

70. A regular default will not be opened to let in the defence of usury, unless the defendant offers to waive the forfeiture, and to consent to a decree for the payment of what is equitably due. *Watt v. Watt*, 2 Bar. Ch. 371.

71. It is the settled principle of the Court of Chancery, not to open a regular default, in order to enable the defendant to set up the defence of usury, except upon condition that the defendant shall agree to waive the forfeiture, and insist upon the defence of usury only as to the usurious premium paid or agreed to be paid. *National Fire Ins. Co. v. Sackett*, 11 Paige, 660.

72. The eighth section of the act relative to the interest of money, (dispensing with the payment or offer of payment of interest on filing a bill for discovery of usury,) does not abrogate the established principle of a court of equity, that on filing a bill of discovery on an allegation of usury, the complainant must pay or offer to pay the principal, or the sum actually lent; and a bill of discovery not containing such an offer is bad on its face. *Livingston v. Harris*, 11 Wend. 330.

73. The provision forbidding a court of equity to compel or require the payment of the principal sum as a condition of granting

*relief*, applies only to cases where the complainant, though he can prove the usury without resort to the oath of the lender, has no opportunity of setting up the defence in consequence of the nature of the securities executed by him; as, for instance, a judgment entered on bond and warrant, or a mortgage with power to foreclose under the statute. *Ib.*, affirming 3 Paige, 528.

74. The surety of the borrower is a borrower within the meaning of the statute; so are his heirs, devisees and personal representatives. *Ib.*, and also *Post v. Bank of Utica*, 7 Hill, 391.

75. But a subsequent grantee of the premises, covered by an usurious mortgage, is not a "borrower," and therefore cannot maintain a suit in equity to set aside a mortgage, without paying or offering to pay the sum actually loaned. When lands were purchased at a sheriff's sale, with knowledge that they were covered by a prior usurious mortgage, and the purchaser, after obtaining the sheriff's deed, filed a bill in equity to set aside the mortgage, to which the mortgagee demurred, on the ground that it contained no allegation of payment, or offer to pay the sum actually loaned; *held*, that the demurrer was well taken. *Post v. Bank of Utica*, 7 Hill, 391; disapproving *Cole v. Savage*, 10 Paige, 583.

76. A subsequent mortgagee is not a "borrower," so as to authorize him to file a bill to set aside a prior security given by the mortgagor, on the ground that it is usurious, unless he shall pay or offer to pay the amount actually due or advanced, for which such prior security was given. *Rexford v. Widger*, 3 Bar. Ch. 640. Affirmed in 3 Coms. 131.

77. The act of 1837, which requires the usurer to answer under oath as to the usury, is not a violation of the section of the constitution which declares that no person shall be compelled to be a witness against himself in a criminal case. *Berrian v. Striker*, 7 Paige, 598.

78. The surety, in an usurious contract, is a borrower within the intent and meaning of the fourth section of the act of May, 1837. *Ib.*

79. That act does not authorize the borrower to file a bill in Chancery for a discovery or for relief against an usurious contract, when he has a perfect defence at law, to a suit brought upon such contract, by the examination of the plaintiff in that suit as a witness to prove the usury. *Ib.*

80. When the usurious contract is a negotiable security, which may be sued in the name of a third person, who has no knowledge of the usury, or in the name of a plaintiff, who cannot be examined as a witness in a court of law, the borrower may file a bill in Chancery for a perpetual injunction, and to have such usurious securities delivered up and cancelled. *Ib.*

81. The word "borrower," as used in the Revised Statutes and in the act of 1837, does not include a surety for the loan. Per Bronson, J., *Vilas v. Jones*, 1 Coms. 274.

82. Unless a bill for relief offers to pay what is equitably due, the

Court of Chancery will not decree such payment. *Judd v. Seater*, 8 Paige, 548.

83. When a lender seeks to enforce his securities in a court of equity, and the borrower sets up the defence of usury and proves it, such securities will be declared void and ordered to be delivered up and cancelled. But when a borrower seeks relief against usury, he must pay or offer to pay the principal and interest lawfully due, and that whether the usury be established by proof, or admitted by the defendant's answer. *Fanning v. Dunham*, 5 John. Ch. 122.

---

## THE MISSISSIPPI UNION BANK BONDS.

We give place to the letter which we find in the Mississippi papers, from a citizen of that State, on the subject of the payment of the Union Bank bonds, and redeeming the honor of the State. The recent decision of the State Court has given a new phase to the question, and we regret to see that the payment meets with renewed and violent opposition from most, if not all, the Democratic papers in the State; the Whigs, on the contrary, we are happy to find, sustain the judicial judgment, and the payment of the bonds. We might well give the space which the letter occupies to a mere local question in a State in which our paper is honored with so large a number of readers as it is in Mississippi. But this is not a local question; it is a question of public order and obedience to law. It, therefore, concerns the honor of our common country, and every lover of law and order and respecter of public honesty, has a direct interest, now, in the payment of these bonds, whatever he may have heretofore thought. We, therefore, place the argument of Mr. FERRIS before our readers, and are sure they will not complain of the space it occupies.—*Eds. National Intelligencer.*

### *Extract of a Letter from W. C. Smedes, Esq., on the subject of the Union Bank Bonds.*

COOPER'S WELL, October 5, 1853.

Without going at large into the history of these bonds, it will be sufficient for my present purpose, to state, that in the year 1837, the Legislature incorporated a bank, under the title of the Mississippi Union Bank, the capital of which was to be \$15,500,000, which was to be raised by a loan to the bank of the State bonds to that amount against liability, on account of which loan the State was to be secured by bonds and mortgages executed by the stockholders.

The constitution of our State, as you are well aware, prohibits the pledge of the faith of the State for a loan of money, unless the act which creates the pledge be passed, after certain prescribed publications, by two successive Legislatures. It was, therefore, necessary, before the bonds of the State could be issued, that the charter should pass the ordeal of another Legislature. Accordingly, in 1838, it did pass the Legislature of that year, in the same form in which it was first passed, and became a law. Had the bonds been issued to this corporation as a loan with which to raise its capital stock, according to the charter, I presume no man in the State would

say that the Legislature or Governor had transcended their powers, and that the bonds thus issued were not valid and binding on the State. But, unfortunately, the same Legislature of 1838, which passed for a second time the Union Bank charter, a few days afterwards, and before any step had been taken to organize the bank under the charter thus passed, enacted what is known as the supplement to the Union Bank charter, in which it was provided, that the State should become a stockholder in the bank, to the amount of five millions of dollars, and that her stock should be paid for out of the proceeds of the bonds of the State, to be issued according to the provisions of the original charter. This supplement, and the action of the Governor (McNutt) under it, have produced all the difficulty. Governor McNutt, soon after the passage of the supplement, issued the bonds of the State to the bank; the bank sold them, and received the money; and in the great commercial crash and embarrassments which soon after befel the country, most of the money was lost through the insolvency of those to whom it was loaned.

Gov. McNutt was the first to deny the liability of the State to pay these bonds; but it must be observed that he did not put his denial upon the ground of their *unconstitutionality*. He asserted that they were sold for less than their par value; that the commissioners who sold them had exceeded their powers, which he declared released the State. But few agreed with him in this opinion. Others, however, following his example, assumed the ground that these bonds were void, but gave better reasons for their opinion. These reasons were, that the bonds had been issued without the sanction of the constitution, because they had been issued in payment of stock taken by the State in the bank, instead of as a loan to the bank, which loan was to be secured by bonds and mortgages of the stockholders; that the two succeeding legislatures had authorized the pledge of the faith of the State, and the issuance of the State bonds as a loan, in order to raise money to provide a capital for the Union Bank to commence banking operations on; and in doing so, they had protected the State against the possibility of loss, by requiring the stockholders in the bank to secure the payment of the State bonds by their own bonds and mortgages of equal amount; but that the supplement had made the State a stockholder directly, and ordered her stock to be paid for out of the proceeds of these State bonds, which thus stripped from the State all security for the payment of her bonds, except that which the stock in the bank owned by her might afford; and that this supplement, working these fatal changes, had never received a single constitutional sanction; and so, it was argued, the bonds issued and sold to pay for the stock taken under it were void.

You will observe I am not now arguing the question, nor am I stating all the reasons upon which the anti-bond party based their opposition to the payment of the bonds. I have only given you the main one. To my mind, it had great strength in it. It seemed to me unanswerable.

Thus matters stood, as I have hastily sketched them, when the legislature met in 1839, and Gov. McNutt's first repudiating message was sent to them. That body received this message with considerable indignation, and declared that it was an insult to the dignity and character of the State, to say that she would not pay these bonds. After this legislature adjourned, the question was still discussed, and in 1842 the next legislature passed the famous repudiating resolutions, declaring that the State would not pay the bonds, principal or interest.

The question remained in this condition until Mr. H. A. H. Johnson, holding one of these State Bonds for \$1,000, due in the year 1850, instituted suit upon it in the Superior Court of Chancery, against the State. That is the court in which it is provided by the legislature, that the State shall be sued by any one who may assert a claim against it. The Constitution of the State requires the legislature to provide some tribunal for deciding claims against the State, and that body selected the Superior Court of Chancery, with power of appeal to the High Court of Errors and Appeals. Mr. Johnson prosecuted this legal and constitutional right, sued the State, as I have said, in the Superior Court of Chancery. The State, by her Attorney-General, resisted the suit, denied her liability on the bond, and took in her defence all the grounds which that able and learned officer was able to suggest in her behalf. The Chancellor, in an elaborate opinion, decided that the bond was constitutional, that the State was liable on it, and decreed her to pay it. The State, by her constituted officers, appealed from the Chancellor's decision to the High Court of Errors and Appeals, as you know, the highest judicial tribunal in the State. The whole question was again fully and ably discussed, and again decided against the State; all three of the distinguished judges of that court concurring in the opinion that the bonds of the State issued on behalf of the Union Bank were constitutional and valid obligations, and binding upon the State. And this is the present attitude of the case.

I have thus hastily sketched the history and progress of this question, not at all with the view of going into the argument either *for* or *against* the constitutionality of these bonds; that is now a *settled question*. It has been adjudicated by the courts, and as a law-abiding citizen, whatever my individual opinion may have heretofore been, I am now *bound* to yield it to the solemn judgment of the courts of the country. You and I may be confidently convinced that a certain person convicted of murder and sentenced to be hung is not guilty of the offence charged against him, and we may be entirely satisfied that he has been condemned by suborned proof; still, notwithstanding our firm conviction, the law takes its course, and unless we can secure the interposition of executive clemency, the man is hung; and this, too, though every man in the county might believe him innocent, and, indeed, though he might actually be innocent; and if any body of people, influenced by this opinion of his innocence, were to attempt by force to interfere with and prevent



the infliction of his punishment, they would be guilty of a gross violation of law ; and if they carried it to the extent of armed opposition to the constituted authorities, might be guilty of downright treason.

Take another case : a suit is brought against a popular citizen, involving his whole fortune ; lawyers of character and talents are retained in his defence ; the fortunes of many others depend on the decision to be made in his case. The plaintiff is a non-resident, and is publicly odious for various alleged offensive acts. The suit is brought to trial, is severely litigated, and the inferior court decides in favor of this obnoxious claimant. All the persons interested in the question unite and create a great excitement about it ; the press take up the question and adopt the side of their own citizens, and attempt, by bringing its whole influence to bear upon it, to awe the supreme tribunal, the members of which are elected by the people, into a decision favorable to their views. That court, however, acting under the sanctions of an oath, in the honest discharge of its duty, condemns these out-door influences and approves the decision already given. What now is obviously the duty of these unsuccessful litigants ? what of their lawyers and of their friends ? Still convinced that the cause of their client was just, and that the court has erroneously, though honestly, decided against them, what shall they do ? Submit to the decision and yield up the property in controversy, or organize an opposition to the courts, resist the enforcement of their fiats, and rebel against the government ? Can you hesitate, dare you hesitate, as to what your answer should be ? There is probably not a right-minded man in the State who would not at once reply, immediate and implicit obedience to the decision of the courts is their imperative duty. In truth, no number of private individuals, however great, influential and powerful, however large the property involved, however intensely their feelings may have been enlisted, and even their passions aroused, in a long-protracted and angry litigation, would venture to resist the solemn decisions of the courts of justice when fairly and finally pronounced against them. This proposition is so obvious that no one will question it.

Shall the State set a worse example than her citizens ? Can that which would be odious and even criminal in a single citizen, or any number, however respectable, of private citizens, be made honorable or right because the majority of the people may be seduced to attempt it ? Shall the State, in her sovereign capacity, be the first to set to her citizens the disgraceful and dangerous example of contemning the decisions of the courts and violating the settled laws of the land ? Has it ever occurred to you to reflect what a silent but potent influence the obligation to obey the laws exerts upon the community ? It is the very bond of society ; without it, neither life nor property, neither age nor sex would be safe. It is the guardian angel that watches over the sleeping child. It is the bolt, more powerful than solid iron, that secures your houses from molestation.

It is the body-guard that protects your executive mansion and the Governor of your State, more invincible than those with which the thirty tyrants of Athens surrounded themselves. In a word, it secures every enjoyment, protects every right, redresses every wrong. Bring this law into contempt, teach men to set a light estimate upon its mandates, and, when it runs counter to their interest or their passions, to set it aside and annul it, and you break down all the barriers by which society is maintained secure from aggression; you put the weak at the mercy of the strong, you sacrifice the rights of the few at the bidding of the many. Let the State herself be foremost in setting this example, and she inflicts the deepest stab into the very heart of the social fabric, and covers herself with an ignominy far beyond any that the mere repudiation of a disputed (however just) debt could possibly inflict upon her. Without a rigid observance and enforcement of law, there can be no liberty. True liberty consists in the existence and enforcement of just laws; and he is a bad man, unworthy of public confidence or private trust, who would teach the people that the laws of the land may be safely violated.

But you may ask what constitutes the laws, and how is it a violation of them to refuse to abide by the decision of the High Court of Errors and Appeals? The question is a pertinent one, and I proceed to answer it. The laws which each man, at his peril, is bound to obey, and submit to, are, the constitution of the State, the acts of the Legislature, the common law of the country, and the decisions of the courts of justice. These constitute *the laws of the land*; and each is of equal obligation and force. The decisions of the courts of justice are as binding on the people, and it is as much their duty to obey them, as the positive enactments of the Legislatures. Each is but *the will of the people* constitutionally expressed, but in a different way; and each, when ascertained, has all the authority of that will, and is **THE LAW**. It is a great mistake which many fall into to suppose that the *will of the people* is to be found in popular assemblages. It is an equally great mistake to suppose that it is to be found only in the enactments of the Legislature. The very moment a Government is established like ours, having executive, legislative and judicial functions, which are to be exercised by co-ordinate but independent departments, the *will of the people* can only be gathered from the actions of these departments. Masses of people, however large and respectable, do not and cannot express *the will of the people*; they at the most but express their own private personal sentiments; but the will of the people can be ascertained only in the mode they themselves have designated. An act of the Legislature is the will of the people; so is the judgment of the courts; so is an executive proclamation, or other executive act within the scope of his powers. There is and there can be no other *will of the people*, until you break down the constitution and resolve society and government into aboriginal wildness, when the might of the strong arm can maintain and execute the dictates of the determined will. No

one who will argue from admitted and established principles of political science can deny or successfully dispute these propositions. It is, therefore, at this time, the settled and established **WILL OF THE PEOPLE**, ascertained and declared in the only lawful and constitutional mode in which that **WILL** can be ascertained and declared, (*viz*, by the decision and decree of the people's courts of justice, established by the people themselves,) *that the bonds of the State issued on behalf of the Mississippi Union Bank are constitutional and valid obligations of the State, and ought to be paid.*

Democracy professes to abide by and perform the will of the people; and yet it is at this time moving all the machinery of party and laboring with a zeal worthy of a better cause to overthrow and annul that deliberately recorded and expressed will.

It is true these bonds cannot be paid without a *legislative enactment*. The people, when they gave to the courts the power to adjudge claims against the State, did not confer the further power upon them to coerce, from the treasury of the State, their payment. They never contemplated the possibility of one department of the Government refusing to carry out, by every means in its power, the declared and rightful decree of another department. Such a refusal would be the division of the Government against itself, and would be almost a presage of its downfall. Such a refusal would be, though within the naked power of the Legislature, *a moral wrong*, which no reasoning or sophistry could ever wipe out or justify. Let each man make the case his own. The suit of Johnson is not the only one that has been brought against the State. Farish, after some twelve years of litigation, obtained a heavy judgment against the State, founded on the failure of the State to comply with a contract made with him. Moody did the same thing. These claims were hotly litigated by the State; and yet the Legislature did not hesitate promptly to pay them both. Suppose it had refused to pay either, would not the indignant voice of the people have been heard in tones of thunder against a body of representatives who would refuse, after the highest courts had adjudged his right, to award to one of their fellow-citizens the hardly-earned fruits of his toil? Especially how clamorous, and justly so, would each citizen be thus hardly dealt by. And does the *magnitude* of the claim against the State make the *moral duty* of the Legislature less obligatory? Have legislators the right to violate and set at naught the decisions of their own tribunals, and thus violate the laws both of God and man, merely because it is millions instead of thousands of dollars which are at stake? No right-minded man will thus judge.

But attempts have been made to induce the people to violate the judgment of the court, and thus disregard **THEIR OWN RECORDED WILL**, on the ground that their debt has, by accumulation of interest, become so onerous that it will oppress and ruin the people of the State if it be paid; and such disingenuous arguments have been put forth on this subject as to deceive and mislead many just men who would willingly vote for the payment of these bonds, provided they

could do so without self-destruction. The first and greatest unfairness of those who would drive the people to work, through their legislators, a great wrong, is the most untrue assumption that this whole debt has to be paid *at once*, and by the present generation; when it is a fact well known, that the bond-holders would gladly wait for what is due them from ten to sixty years, at a reduced rate of interest, if they could be assured of the prompt annual payment of that interest and the ultimate payment of the principal. Indeed, their *authorized agents* have already recently published to the world that they will be satisfied with the levy of an annual *tax of one-fourth of one per cent.* on the value of the real and personal estate now subject to taxation in the State, until their debt is paid. In other words, the man who owns \$1,000 worth of property will be taxed annually the sum of \$2.50, and not more, for the payment of these bonds; the man who owns \$10,000 worth of property will be taxed \$25 per year, and he who has \$100,000 will be taxed \$250 per year; and in like proportion as men own smaller or larger estates. This is the *very utmost extent* to which even the bondholders ask the State to go; and of course no one of our own citizens proposes or would advocate a higher rate of taxation. I repeat it, in order to pay the principal and interest of these bonds, *two dollars and a half a year is every cent that can be exacted for every thousand dollars worth of property each man owns in the State.* What, then, becomes of those misleading and untrue calculations by which the people have been told that utter ruin would befall them and their posterity if they voted to pay these bonds? And is there a man in the State who would refuse to pay his comparatively insignificant sum to free the State from the stigma, whether it be just or unjust, under which she labors, of refusing to pay an honest debt when she is amply able to do so without the smallest sacrifice? Look at the question in the most favorable light. Admit that *you* are firmly persuaded that these bonds were unconstitutionally issued; admit that a decided majority of the people are convinced of the same thing, still that does *not make the fact so*, however firm and sincere your and their convictions may be. On the other hand, the bondholders and a large minority, respectable for talent and wealth, of our fellow-citizens, consider the bonds constitutional and valid obligations upon the State; and in this view they are sustained by your own judges, sworn to administer the law according to the truth and the right of the case. *You* and those who think with *you may* be right, and the bonds may be void, but those who think adversely from *you*, and who have solemn and well-considered judgments on their side, *may be right*; and you must admit the probabilities are great that they *are* right. In any event, as a candid man, you must yield that the question is a *doubtful one*. If doubtful, what ought the State to do? Her creditors say to her, take your own time—take sixty years; levy an exceedingly moderate tax that cannot, in any change of times, distress you, and in these days of peace and prosperity cannot be felt by you. I repeat, what ought the State to do? Nearly half of her population, and by far

the greater part of her tax-paying population, deem it dishonorable not to pay; all Christendom thinks it disgraceful not to pay; so that the name of our State has become a by-word and a reproach throughout the land. We can pay, and not feel it. Ought she not to pay, and thus wipe off this stain from her otherwise spotless escutcheon? Ought she not to pay, and thus settle for ever this vexed question? Ought she not to pay, and thus redeem her honor and restore her credit?

I have already covered more space than I intended, and have not now time to prove to you that as a mere matter of *financial policy* it would be to the best pecuniary interest of the State to pay this debt, and thus relieve her young limbs from the shackles of distrust and discredit which her failure to pay has thrown around them. But I forbear. Such merely secondary considerations I am sure would have no weight with you if the greater considerations already urged have failed to impress you. But, nevertheless, I am confident the proposition is maintainable, that the best pecuniary interests of the State would be subserved if the bonds were paid, even though there were no legal obligation on the State to pay them.

There are some, I am told, who are so tender about violating the constitution, that they consider that if these bonds were unconstitutional, *it would be unconstitutional to vote to pay them*. Let me tell all who may need the information, that there is nothing in the constitution that prohibits the legislature from paying an *unconstitutional debt*. To contract a debt is one thing, to pay it another. It may be unconstitutional to do the one and not the other. A friend may sign my name to a note without authority, and yet if I pay it I am not guilty of any wrong. The legislature has full power over the public treasury. If any other answer was needed to so frivolous an objection, it could be found in the fact that these bonds are not unconstitutional, whatever you and I and others may have thought. The High Court of Errors and Appeals, having the amplest authority to do so, has for ever settled that question. The difference between the opinion of a citizen that these bonds are unconstitutional, and the judgment of the court that they are constitutional, is just the difference between the opinion of the unsuccessful litigant who thinks he does not owe a debt, for the whole amount of which the court has just rendered a judgment against him, and that judgment.

You may think, my dear sir, that I have travelled over a great deal of ground without coming to the principal topic (the letter) to which you have called my attention; but, if you have carefully noted what I have already said, you will perceive that I have but little yet to do. Before I proceed to state and answer the positions of that letter, it will be important to notice certain valuable admissions made in it.

1. The letter states that *the legislature has no authority to repudiate these bonds*, and that the State has therefore virtually never repudiated, only failed to pay. This is important, because it is so fre-

quently stated that the people have decided in favor of repudiation, that many persons, in and out of the State, consider there has been a direct vote upon the point by the people; which is not the fact. The legislature has declared the bonds void; but the letter referred to says that this decision of the legislature is not only *not a law*, but is an absolute "*nullity*," and is the "*usurpation of judicial authority*." It follows that it is in no sense the EXPRESSED WILL OF THE PEOPLE. But the courts, who do not usurp judicial power, and which have authority to pronounce decrees, have declared the bonds constitutional and valid. This they had a right to do. The State itself invoked their decision, and cannot, without dishonor, refuse to abide by it; unless, as the letter says, she can "*render to the world a sufficient excuse for not doing so*." Of the sufficiency of the excuse offered by the letter we shall see presently.

2. The letter pronounces the reasons heretofore given by the legislature for repudiating, and on which alone hitherto the anti-bond party have predicated their action, to be *lame, flimsy and impotent*, and which the courts would pronounce "*utterly untenable*." If this letter have any weight with you, it should make you discard all the views heretofore held and advocated by those who have considered the bonds unconstitutional.

3. The letter looks upon the attempt to elect repudiating judges to reverse the decision already rendered as one which should meet the "emphatic and decisive" rebuke of the people. The writer's remarks are worthy of being quoted: "The people, (he says,) I am sure, will rebuke the attempt, whensoever it is made, in a manner at once emphatic and decisive. If in this country the judge shall ever sink to be the supple instrument of the appointing power; if the idea is ever inaugurated that the public will, and not the canons of right, are to guide the deliberations of the bench, then farewell for ever to constitutional liberty. Instead of the respectable and upright magistrates that so far have graced your courts, expect soon to see a Tressilian, a Billing, a Scroggs or a Fleming, seated on your bench. Upon this subject no one can misread the lessons of history. Through the constant current of full seven centuries the stream of time continually murmurs, 'beware of a judiciary that is directly dependent upon the will of the appointing power.'" These sentiments do honor to their author; and we are only surprised that they are to be found in an article from whose general conclusions we are forced so totally to dissent.

4. There are but three ways to settle this question, says the writer of the letter. 1. By payment, which he conceives hardly probable, but does not say whether he would favor it or not. 2. By the arbitrament of a disinterested person. 3. By the calling of a convention, and the repudiation by the people for a valid reason.

I have two remarks on the proposition to call a convention to express the views of the people on this subject:

First. I should, without admitting any authority in the people thus assembled to exonerate themselves and the body politic from the

judicial obligation now resting on them, be pleased to see this question of payment or non-payment of these bonds, stripped of every thing of a party character, submitted directly to the people. I believe the people have but to understand the subject to pronounce at once and decidedly in favor of the payment of the bonds. We have known of one convention called for an object that, if accomplished, would have been disastrous in the extreme; the subject was discussed, the people understood it, and the projectors of the convention were overwhelmed with discomfiture and defeat. I believe a convention convoked to repudiate would assemble to pay.

Secondly. I can never admit the position assumed that a convention of the people of Mississippi is as "omnipotent as the British Parliament." I deny that it can annul "the decrees of courts, can reverse or set them aside." I utterly deny its power "to raze out the records of the past." A convention is not omnipotent; there are certain bounds which it may not pass; certain principles which it cannot overthrow. Those who speak thus of conventions, forget that Mississippi is but a limited sovereignty; that it is an "*imperium in imperio*;" that the constitution of the United States is the supreme law in the State of Mississippi, paramount to the constitution and laws of the State; and that no convention can, by any act, pass any decree, or establish any edict, or proclaim any constitution, which is at war with the provisions of the constitution of the United States. Suppose, for example, that a convention were called, and were to undertake to annul the decrees of the courts, the act of the convention would be a mere *brutum fulmen*; for the constitution of the United States declares that "no State shall pass any law impairing the obligation of contracts." No man will deny that a judgment is a contract, and one which is, as has been already decided by the Supreme Court of the United States, in the case of *Massengill v. Downs*, beyond the power of the State to interfere with or modify in any way. Does Mississippi, when she resolves herself into a convention to remodel her constitution, or ascertain the popular will and express it on any topic, cease to be a State? or does the authoritative act of the convention, having such omnipotent power as is claimed for it, become any thing more or less than "*a law passed by the State*? And, if not—if it be but a law of the most solemn sort, and of the highest sanction that can be passed by the State, then the convention *cannot annul decrees* or *erase* them. It is expressly prohibited from exercising any such right. It is utterly beyond its power to *raze out the records of the past*, and all those mighty powers claimed for the convention are, after all, but a "*mere flourish of trumpets*." I have not space or time to press this argument further; but it seems to me that every intelligent man will recognise in it a complete refutation of the idea that the convention, by any act, can in the slightest degree impair the obligation which these bondholders hold against the State. If it were otherwise, the same convention which would repudiate the bonds could but complete its ignominy by declaring that the debts due by her citizens should cease

to be obligatory, and thus put her own people upon a par with herself.

But admitting the convention called, and admitting its power to repudiate, provided a "sufficient reason" for that repudiation can be given, without which (says the letter) her glory must "*suffer eclipse from the damning blight of public dishonesty*," let us see what is this convincing and sufficient reason which is to rescue the State from this dread alternative. It is predicated on two *assumptions*, neither of which is it attempted by argument to maintain, and both of which are unsound propositions.

These two propositions are, 1. That without an express warrant in the constitution, *a State has no power to create a debt*. 2. That where there is an express authority in the constitution to the Legislature to borrow money, as there is in ours, without any express limit to the authority, yet such authority could only be "exercised by such department for objects and purposes such as an agent or commissioner of the State, or sovereign, could exercise it for, in case the Legislature or other department had been clothed with no such power at all." These are the exact words of the letter. Let us get at their plain meaning. 1. A State has no right to borrow money, unless its constitution gives it. 2. If its constitution gives the express power, it can only exercise it for such purposes as the State could have exercised it if the power were not conferred. But, according to the first proposition, if the power were not conferred, *it could exercise it in no state of case*; therefore, according to the second proposition, though the power is expressly conferred, *the Legislature cannot exercise it all!* This is the argument, fully and fairly stated, as it seems to me.

But waiving this, to me, conclusive refutation of the reasoning of the letter by itself, let us look farther at the proposition, and see whether it is at all maintainable, that where an express and absolute power is given in a constitution of government to the Legislature to borrow money in a certain way, *without any limit either as to the amount to be borrowed or the objects to which it is to be appropriated*, there is any implied and reserved limitation on that power whatever; and if there be, what is its extent and scope? In the very nature of things, an absolute grant of power in a constitution, to the Legislature, to do any thing without limit or constraint, is a grant without limit of any kind; and it becomes the duty of the man who asserts there is a limit, to point out and define it, so that it may be clearly and definitely ascertained. It would seem from the mere statement of the proposition, that an unlimited authority was, of necessity, without limit of any kind. An unlimited authority in the Legislature to borrow money, would seem, to men of ordinary intelligence, to leave the question to the discretion of the Legislature, how and for what the power should be exercised. But the writer of the letter has discovered a supposed limitation, and we give it in his own words. It is: "*That such powers are always to be exercised for the public necessity, or for the public advantage; for some object, in short, of a na-*



*tional character.* Rightfully to exercise any such power for an object purely private, an express grant, an explicit consent of the sovereign must be shown." This is the whole limitation. Admit it in its fullest extent, and it amounts, at last, to no limitation at all; for who *is to judge* whether the power was exercised for the public necessity or for the public advantage, for a national or a private object? Clearly the Legislature; no other body or power can act on the subject. The whole authority is delegated to them, the discretion is theirs, the judgment must be theirs. They alone have the power to act; therefore they alone have the right to judge of the propriety of that action. To determine otherwise, is to give the Legislature no discretion at all; to allow any other person or body to determine whether the proposed object for which the power is to be exercised is a legitimate one, is to take from the Legislature all power on the subject, and so qualifies an express and full grant, as to make it in effect no grant at all. The whole reasoning and argument of the letter on this point, amounts to this: If a state borrow money for a certain enterprise or object, and if it succeed, and turn out to be a judicious one, and advantageous to the State, she is bound to pay the debt, and return the money borrowed; but if it turn out to be unsuccessful and unprofitable, she is not liable to pay, and may lawfully repudiate the debt, because it was not contracted for the *public necessity or advantage*. And this is the boasted excuse which is to justify Mississippi before the world, for the refusal to pay a debt contracted by her own Legislature, according to the forms of the constitution, as the High Court has expressly decided! This is the all-sufficient reason that is to rescue "*the glory of this young State*" from "*the damning blight of public dishonesty!*"

Look at it once more, with eyes free from party bias and prejudice. The constitution gives full power to two succeeding Legislatures to contract a debt, and pledge the faith of the State for its payment. It makes no limitation, for the obvious reason, that intermediate the two Legislatures, the people, through the publication of the proposed law required by the constitution, will become fully advised of the extent and object of the proposed indebtedness, and can elect members to the ensuing Legislature accordingly. Under this express and full power, the State of Mississippi, through its Legislature, contracted a debt in behalf of a bank, in which bank she had a direct pecuniary interest; and now, because the bank failed and sunk the money obtained by the sale of the State bonds, and the State thus lost by the venture, it is contended that she, a sovereign State, resplendent in her youthful glory, has a right to refuse to pay the debt. I have nothing more to say in response to this argument.

I notice one other proposition of the letter, which denies the State to be bound by the decision of her own courts, to which she has "*deliberately submitted*" the question of her liability. It is a mistake, as we think we have already shown, to consider the State as represented any the more by a legislative than by a judicial act. Each, in its own sphere, is authoritative. The judgment of the court

is the act of the State, as much as the law of the Legislature, with the Governor's approval endorsed on it. To argue that the court, adjudicating a question submitted to it according to the forms of law, is merely acting as "*a minister of the State*," and that the State may reject the "ministerial act" when the solemn judgment is pronounced, is to confound terms. The act of the court is the act of the State. There is no State or sovereign here, but that of which the court is a constituent part; and its decisions are as much the act of the State as the executive proclamations or legislative enactments.

W. C. SMEDES.

---

### BANKING AND THE CURRENCY.

(From a South Carolina Paper.)

IN the treatment of a question of so much importance, we should be governed, not by the anticipated notions of over issue and inflations, raising and depressing of general prices by increase or diminution of their issues by the banks, arbitrarily and capriciously made, it is generally believed and alleged, but by the experiences and facts, by the real law or principle governing the subject matter in a scientific manner; and that no one may be alarmed by the use of the term scientific, it will be borne in mind that science is only methodized experience.

In the United States, the question has never been treated in this manner; and it is found that Mr. Gouge, and others who had no practical knowledge of the subject, have reasoned from the abuses of banking alone, from fraudulent or bogus banks, or those failing from gross mismanagement; and have, with the masses, forestalled all right opinion, in charging frauds and excesses upon all banks, or as liable to them, without let or hindrance, except what may be found in the good sense and probity of their managers. This course is about as wise and true as to denounce all men as villains or block-heads because the race of mankind have a considerable intermingling of both characters. It will be endeavored to prove that banking and the currency, like all other human business and relations, are governed by certain laws or principles peculiar to themselves, which confine them necessarily within certain limits, the nature and circumstances of which make it impossible that there can be such a thing, strictly speaking, as over issue or disturbance of prices, arising from the operations; and consequently, that the fears of the public on this score are groundless. Even the function or uses of money, whether coin or paper, are greatly misunderstood or entirely overlooked in the consideration of the question; although, when rightly comprehended and appreciated, the law or the principle of the circulation is very obvious and clearly deducible from them. Nearly a hundred years ago, Adam Smith, in his work entitled "*The Wealth of Nations*," laid down the following propositions, which

have been confirmed by all subsequent observation, and which, from the multitude of facts and experiences, and authorities supporting them, must be considered established truths, beyond all doubt :

1. That money is the universal instrument of commerce, by the intervention of which, goods and produce of all kinds are bought and sold or exchanged for one another ; by means of which every individual in the society has his subsistence, conveniences and amusements regularly distributed to him (generally speaking) in their proper proportions.

In a nation of naked savages, living upon the fruits of the chase, or upon the spontaneous fruits of the earth, there is no trade, no exchanges, every one living within himself, and entirely upon his own exertions ; and of course they have no money, and no use for it.

2. That the amount of money (metallic) that will easily circulate in any country is determined, governed by, and bears a certain ratio to the amount of exchanges, the number of transactions of the traffic on the annual exchangeable produce of its land and labor, respect being had both to the quantities and prices ; and that it fluctuates daily, hourly, yearly, with all the variations in the sum of that general trade.

If there is an increased quantity of commodities, prices remaining the same, an increased circulation will be required ; and if there is an increase both in commodities and their prices, there will be required a still greater amount of the circulating medium. If there is a decline in prices, or diminution in the quantities of exchangeable produce, a diminished circulation follows, and the coin seeks a point of more value, despite of all artificial restrictions.

3. That a paper money, consisting in bank notes, issued by people (or incorporations) of undoubted credit, payable upon demand, without any condition, and in fact always paid in coin, as soon as presented, is in every respect equal in value to gold and silver money, since gold and silver can at any time be had for it ; and that whatever is bought and sold for such paper money must necessarily be bought and sold as cheap as it could have been for gold and silver.

4. That the whole of such paper money, which can easily circulate in any country, never can exceed the value of the gold and silver of which it supplies the place, or which (the commerce being supposed the same) would circulate there if there was no paper money.

Should the circulating paper at any time exceed that sum, as the excess could not be sent abroad, nor be employed in the circulation of the country, it must immediately be returned to the banks for coin, (or bills payable abroad,) and thus restore the equilibrium between the volume of trade and the amount of money necessary to transact that trade.

From these data it has been strenuously contended, that there is no such thing as over issue on the part of a bank ; that if there ever is at any time, it is an accident and an exception ; and that if the

circulation is at any time excessive, it arises from causes—depression of prices or diminution of produce, or both—over which the banks have no control. In 1840 the Parliament of Great Britain appointed a commission from among its members, supposed to be most intelligent on the subject, to take evidence and report upon the banks of issue of the United Kingdom. The commission did not remain satisfied with their own desultory knowledge of the subject, nor with the rhapsodies of a Gouge or Cobbett, but summoned two or more managers from the several kinds of banks incorporated, joint stock and private, in the different parts of the kingdom—England, Scotland and Ireland—who spoke from their own experience, varying from ten to twenty years. There were managers from the Scottish Banks, British Linen Company, the Bank of Scotland, and the Royal Bank, Edinburgh; from the Bank of Ireland and the National Bank of Ireland, and from joint stock banks in several parts of England, and private banks from various parts of the kingdom. Almost without exception they supported our fourth proposition, “that the amount of bank notes that will circulate in any country is not determined by the desultory action of bank managers, but by the amount of trade in, and exchanges of its produce and commodities; and that it varies from season to season, and from year to year, with all the fluctuations in quantities and prices of that produce, expanding with the increase and contracting with the decline in the amount of trade, from one season to another, and from one year to another.

---

#### COMPLETION OF THE CENSUS OF 1850.

*From the New York Courier and Enquirer.*

THE final report upon the seventh census is now passing through the press. It will be the most important statistical work ever published in the United States. To produce it has required the unbounded means of the government, the ability and zeal of two gentlemen as superintendents of the work, enjoying the highest reputation for skill in the collection and preparation of statistics, and the labors of a multitude of intelligent subordinates, during three years and a half.

The work will be entitled “STATISTICS OF THE UNITED STATES,” and has been prepared in conformity with the act of Congress directing the method of publishing the Census Tables. It will consist of a single volume of 1,200 pages, and will be ready for distribution at the opening of the next session of Congress. The form adopted is quarto, in which respect the work will possess an advantage over any other document of the same class published by the government. All former ones have been thrown together in a shape so inconvenient as to preclude their general use, and the money ex-

pended, with the object of multiplying those valuable memorials of our progress, has proved a useless expenditure.

We are glad to see that Mr. De Bow has availed himself of one clause of the act prescribing the general plan of his labors to illustrate his work with notes and commentaries, which give it the character it ought to possess, that of a statistical history, rather than a rigid and wearisome array of figures. This portion of his report will occupy between seventy-five and one hundred pages. We transfer to our columns a portion of the most valuable and interesting matter to be found in this introduction to the tables. The superintendent has prepared and included in this division a useful abstract of the results of all the censuses from 1790 to 1850. He has also given the forms and schedules adopted for collecting and condensing information in each census, together with a complete view of legislation on the subject since the foundation of the government. This will be valuable for reference, and will greatly abridge the labors of Congress when hereafter called upon to amend or add to existing laws.

The cost of taking and printing the different censuses since 1790, have been as follows :

1790.....	\$44,877 28	1830.....	378,545 13
1800.....	66,109 04	1840.....	832,370 95
1810.....	178,444 67	1850*.....	1,318,027 53
1820.....	208,525 99		

Following these statements is a digest of all the circulars and instructions issued from the State Department and from the Superintendent of Census to the Marshals engaged in taking the Census, and the persons employed in compiling the returns. The utility of this digest is evident.

From the introductory details relating more especially to the Census of the United States for 1850 we extract the following statements :

#### TERRITORIAL EXTENT OF THE UNITED STATES.

TABLE II. The following table was prepared for the Census Office by Col. J. J. ABERT, of the Topographical Engineers.

	<i>Square Miles.</i>
Area of the Pacific Slope, or of the region watered by rivers falling into the Pacific.....	778,266
Area of the Mississippi Valley, or of the region watered by the Mississippi, Missouri and their tributaries.....	1,237,311
Area of the Atlantic Slope proper.....	637,100
Area of the Atlantic Slope, including only the waters falling into the Gulf of Mexico west of the Mississippi.....	183,646
Area of the Atlantic Slope, including only the waters falling into the Gulf of Mexico east of the Mississippi.....	146,830
Total of the Atlantic Slope, or of the regions whose waters fall into the Atlantic.....	967,576
Total area of the United States and their territories in 1853.....	2,983,153

\* To 30th September, 1853, and exclusive of the expenses incurred for final printing and binding.

This estimate by Col. Abert has some claims to authenticity, which cannot be urged for those more commonly used, but we observe that in a subsequent part of the introduction, the aggregate area of the Union given by States and Territories, is 3,306,000 square miles. The latter amount is the result of an examination of various official reports from the Land Office, Congress, and the State Department. The statement given in the Census Report, 1852, of the Territory of the United States, is 3,230,572 square miles.

Mr. De Bow remarks upon the foregoing table as follows:—  
“The territorial extent of the Republic is, therefore, nearly ten times as large as that of Great Britain and France combined; three times as large as France, Great Britain, Austria, Prussia, Spain, Portugal, Belgium, Holland and Denmark together; one and one-half times as large as the Russian Empire in Europe; one-sixth less only than the area covered by the fifty-nine or sixty empires, states and republics of Europe; of equal extent with the Roman Empire, or that of Alexander, neither of which is said to have exceeded 3,000,000 square miles.”

We then have a well prepared description of the “European Census System,” showing at what times and in what manner the population and statistics of the different countries of that continent are obtained.

The area of all the States of Europe is given as 3,684,832 square miles. The areas of the different countries on this continent are given as follows:

	<i>Square miles.</i>
United States, by detailed estimate, . . . . .	8,806,965
British America, . . . . .	8,050,898
Mexico, . . . . .	1,038,534
Central America, . . . . .	208,551
Russian America, . . . . .	894,000
Danish America, (Greenland) . . . . .	280,000
<b>Total area of North America, . . . . .</b>	<b>8,878,648</b>

The shore line of the United States, as furnished by the Coast Survey Office, is as follows:

	Main Shore, including bays, sounds, &c.	Islands.	Rivers to head of tide.	Total.	Ocean line in state of 10 miles.
Atlantic coast, . . . . .	6,561	6,823	6,655	19,844	2,059
Pacific coast, . . . . .	2,281	702	712	8,695	1,405
Gulf coast, . . . . .	8,467	2,217	8,846	9,580	1,648
	<b>12,609</b>	<b>9,247</b>	<b>11,218</b>	<b>88,069</b>	<b>5,107</b>

Estimated population of the United States at certain periods since 1701.

1701, . . . . .	262,000
1749, . . . . .	1,058,000
1775, (including 500,000 slaves,) . . . . .	2,508,000

The following elaborate table, with the comments, is of such interest that we do not hesitate to copy it entire :

**POPULATION, ETC., OF THE UNITED STATES.**

<i>States and Territories.</i>	<i>White.</i>	<i>Free Colored.</i>	<i>Slaves.</i>	<i>Total Population.</i>	<i>Square Miles.</i>	<i>Inhabitants to Sq. mile.</i>
Alabama, . . .	426,514	2,265	842,844	771,623	50,722	15.21
Arkansas . . .	162,189	608	47,100	209,897	52,193	4.02
California, . . .	91,635	962	....	92,597	158,953	0.49
Carolina, N., . . .	553,028	27,463	288,548	869,039	45,550	19.1
Carolina, S., . . .	274,563	8,960	384,984	668,507	28,000	23.57
Columbia, Dist., . .	37,941	10,059	3,657	51,657	50	103.574
Connecticut, . . .	368,099	7,693	....	375,792	4,750	78.06
Delaware, . . .	71,169	18,073	2,290	91,532	2,120	43.17
Florida, . . .	47,208	932	89,310	137,445	59,268	1.48
Georgia, . . .	521,573	2,931	881,682	906,185	58,400	15.63
Illinois, . . .	846,034	5,436	....	851,470	55,409	15.37
Indiana, . . .	977,154	11,262	....	988,416	33,809	29.24
Indian Territory, . .	....	....	....	....	157,171	....
Iowa, . . .	191,881	833	....	192,714	50,914	8.77
Kentucky, . . .	761,413	10,011	210,951	982,405	37,680	26.07
Louisiana, . . .	235,491	17,462	244,809	517,762	41,346	12.53
Maine, . . .	181,813	1,356	....	183,169	85,000	16.66
Maryland, . . .	417,943	74,723	90,868	583,534	11,000	53.00
Massachusetts, . . .	985,450	9,064	....	994,514	7,250	137.17
Michigan, . . .	895,071	2,583	....	897,654	56,248	7.07
Minnesota Territory, .	6,038	89	....	6,127	141,839	0.04
Mississippi, . . .	295,718	930	309,878	606,526	*47,151	12.86
Missouri, . . .	592,004	2,613	87,422	682,044	65,087	10.49
Nebraska Territory, .	....	....	....	....	136,700	....
New Hampshire, . . .	817,456	120	....	817,576	8,030	89.6
New Mexico Territory, .	61,525	22	....	61,547	210,774	0.29
New York, . . .	3,048,325	49,069	....	3,097,394	46,000	67.44
New Jersey, . . .	465,509	23,810	236	489,555	6,851	71.46
Northwest Territory, .	....	....	....	....	528,725	....
Ohio, . . .	1,955,050	25,279	....	1,980,329	89,064	49.55
Oregon Territory, . .	13,087	707	....	13,794	841,463	0.04
Pennsylvania, . . .	2,258,160	58,626	....	2,316,786	47,000	49.29
Rhode Island, . . .	143,875	8,670	....	152,545	1,200	122.93
Tennessee, . . .	756,826	6,422	289,459	1,052,717	44,000	22.79
Texas, . . .	154,034	397	58,161	212,592	825,520	0.65
Utah Territory, . . .	11,380	24	26	11,430	187,923	0.06
Virginia, . . .	894,500	54,833	472,523	1,421,856	61,853	23.17
Vermont, . . .	813,402	719	....	814,120	8,000	89.20
Wisconsin, . . .	504,756	685	....	505,441	58,294	5.66
<b>Total, United States,</b>	<b>19,558,063</b>	<b>484,495</b>	<b>8,204,818</b>	<b>28,247,376</b>	<b>18,806,665</b>	<b>7.01</b>

\* The alphabetical arrangement is recommended for all of our statistical publications in the future. It would have been adopted in the present volume in the aggregate tables, and in the order of considering the States, had not the material in great part been previously prepared upon the old method. In the extension of the country, the geographical method of arranging the States creates embarrassment and ought to be abandoned.

† Includes Chickasaw lands.

‡ This amount is larger than that given for the United States by the tables of Colonel Abert in another place; but the details are made up from the reports of the Land Office, revised by the present Intelligent Commissioner.

## REMARKS.

*Alabama.*—Formed out of territory ceded to the United States by South Carolina and Georgia. Admitted into the Union December 14, 1819.

*Arkansas.*—Formed from territory ceded to the United States by France. Admitted into the Union June 15, 1836.

*California.*—Formed of territory ceded by Mexico. Admitted into the Union September 9, 1850.

*Carolina, North.*—One of the thirteen original States. Ratified the Constitution of the United States November 21, 1789.

*Carolina, South.*—One of the thirteen original States. Ratified the Constitution of the United States May 23, 1788.

*Columbia, District of.*—Formed from territory ceded by Maryland and Virginia. Established as seat of government July 16, 1790. Alexandria retroceded July, 1846.

*Connecticut.*—One of the thirteen original States. Ratified the Constitution of the United States January 9, 1788.

*Delaware.*—One of the thirteen original States. Ratified the Constitution of the United States December 7, 1787.

*Florida.*—Formed from territory ceded to the United States by Spain. Admitted into the Union March 3, 1845.

*Georgia.*—One of the thirteen original States. Ratified the Constitution of the United States January 2, 1788.

*Illinois.*—Formed out of territory ceded to the United States by Virginia. Admitted into the Union December 3, 1818.

*Indiana.*—Formed from territory ceded to the United States by Virginia. Admitted into the Union December 11, 1816.

*Iowa.*—Formed from part of the territory of Wisconsin. Admitted into the Union December 28, 1846.

*Kentucky.*—Formed from the territory of Virginia. Admitted into the Union June 1, 1792.

*Louisiana.*—Formed from territory ceded to the United States by France. Admitted into the Union April 8, 1812.

*Maine.*—Formed out of part of the territory of Massachusetts. Admitted into the Union March 15, 1820.

*Maryland.*—One of the thirteen original States. Ratified the Constitution of the United States April 28, 1778.

*Massachusetts.*—One of the thirteen original States. Ratified the Constitution of the United States February 6, 1788.

*Michigan.*—Formed from territory ceded to the United States by Virginia. Admitted into the Union January 26, 1837.

*Minnesota Territory.*—Territorial government established March 3d, 1849.

*Mississippi.*—Formed from territory ceded to the United States by South Carolina. Admitted into the Union December 10, 1817.

*Missouri.*—Formed from territory ceded to the United States by France. Admitted into the Union August 10, 1821.



*New Hampshire.*—One of the thirteen original States. Ratified the Constitution of the United States June 21, 1788.

*New Mexico Territory.*—Formed from territory ceded by Mexico and Texas. Territorial government established September 9, 1850.

*New York.*—One of the thirteen original States. Ratified the Constitution of the United States July 26, 1786.

*New Jersey.*—One of the thirteen original States. Ratified the Constitution of the United States December 18, 1787.

*Ohio.*—Formed out of territory ceded to the United States by Virginia. Admitted into the Union November 29, 1802.

*Oregon Territory.*—Territorial government established August 14, 1848.

*Pennsylvania.*—One of the thirteen original States. Ratified the Constitution of the United States December 12, 1787.

*Rhode Island.*—One of the thirteen original States. Ratified the Constitution of the United States May 29, 1790.

*Tennessee.*—Formed from territory ceded to the United States by North Carolina. Admitted into the Union June 1, 1796.

*Texas.*—Independent republic. Admitted into the Union December 29, 1845.

*Utah Territory.*—Territorial government, established September 9, 1850.

*Virginia.*—One of the thirteen original States. Ratified the Constitution of the United States June 26, 1788.

*Vermont.*—Formed from part of the territory of New York. Admitted into the Union March 4, 1791.

*Wisconsin.*—Formed from part of the territory of Michigan. Admitted into the Union May 29, 1848.

We reserve the task of a further analysis of this able and interesting document to a future day.

In the letter communicating his report to Congress, Mr. De Bow refers to the rejection, by the last act of Congress, of the valuable statistics on manufactures, and the returns of deaths, and recommends that authority be requested for a full compilation of the tables on those subjects. It cannot be doubted that the Secretary will adopt this suggestion of the Superintendent, and that Congress, recovered from the discreditable delusion which led to the suppression of the returns alluded to, will authorize their publication in an appropriate form.

Mr. De Bow likewise suggests the establishment of statistical bureaus by the State governments, and their encouragement by Congress, so far as to facilitate their connection with foreign governments.

The Superintendent has in course of preparation comparisons between the returns now published and those of former censuses, which, together with other matter authorized by law, will form a supplementary report, which will be ready during the coming session.

It is the result of a curious calculation instituted by Mr. De Bow, that the office-work, exclusive of the Marshal's returns, has involved the use of eight millions of figures. In the preparations of notes and illustrative tables, one hundred and sixty-seven volumes on the statistics of foreign countries have been consulted, obtained through the system of literary exchanges, established by M. Vattemare, besides many others previously belonging to the libraries of the departments. The British census of 1851, as far as published, has been critically examined, and such hints as it afforded for the improvement of the plan of our own have been used. This work is not yet complete, any more than our own. Two volumes were published last year, embracing the population returns and tables most nearly allied to them, which, together, much exceed in bulk the single volume of our census, and are not so handsomely or so well executed. The statistics of occupation and others of a social character are expected to fill two more volumes.

In the classification of the ages of our population, it is found that among the free colored there is a remarkable excess of females; but that among the whites and slaves the males preponderate. The reason of this is probably to be sought for in the proportions of the sexes among our immigrant population, of whom the males largely exceed in number the females. I have set this matter in its true light in a laboriously prepared statement communicated to the *Courier and Enquirer* last year, and published in the Supplement to the Census Report for 1852. The proportion of the sexes in Great Britain at the beginning and middle of this century, is shown in the following statement published by Mr. De Bow :

	<i>Females.</i>		<i>Males.</i>
By British Census of 1801,.....	103,353	to	100,000
By do. 1851,.....	100,000	"	96,741
Or, as.....	31	"	50

The reason of the difference is, that Great Britain sends forth emigrants, the United States receives them.

It is stated that great discrepancies have been found between the original returns of the deaf, dumb, blind, insane and idiotic and the condensed exhibits accompanying the former reports. It is alleged that great difficulty was experienced in compiling these returns, so as to procure consistent results, and the Superintendent recommends that a further analysis of the tables be prepared and recorded in the State Department, to aid in future investigations.

## MISCELLANEOUS.

**TEXAS PUBLIC DEBT.**—The case is briefly this:—By the act of 1850, the United States agreed to pay to Texas (upon her relinquishment of a portion of her territory) the sum of ten millions, in five per cent. stocks. But the following proviso occurs in the act, and has given rise to the difficulty:

"Provided, also, That no more than five millions of said stock shall be issued until the creditors of the State holding bonds, and other certificates of stock of Texas, for which duties on imports were specially pledged, shall first file at the Treasury of the United States releases of all claim against the United States, for or on account of said bonds or certificates, in such form as shall be prescribed by the Secretary of the Treasury, and approved by the President of the United States."

Upon this act of Congress (says Mr. Cushing) two principal questions arise, namely: First, What are, in fact, the obligations of the State of Texas, for which releases must be filed in the Treasury of the United States before the delivery to Texas of the second parcel of five millions of stock; and, secondly, whether the stock must be delivered altogether after the execution of all the releases required, and not before, or whether it may be issued in parts on the filing of particular releases?

The following are the conclusions at which Attorney-General Cushing arrives in relation to claims of the creditors of Texas on the \$5,000,000 reserved by the United States to meet said claims:

The claims to be released, then, are—

1. Bonds or certificates of stocks; not all evidences of indebtedness, but bonds or certificates of stock. This excludes not only arrearages, if any due for supplies or services, or any other unliquidated debt, but also the circulating notes of the 9th June, 1837.

Bonds and certificates of stock are especially known and expressed in the laws of Texas, giving authority for their issue, and are clearly distinguished from these treasury notes, commonly called red-backs, of the denomination of a dollar, and so on, not exceeding one thousand dollars each, issued and re-issued by the government, and from all other evidences of indebtedness. \* \* \*

Indeed, the treasury notes in question, instead of being themselves certificates of stock, were converted into certificates of stock, and therefore must have been things of a different character. And the word "bond" has an established legal meaning, which it is impossible to confound with promissory notes. \* \* \*

The indebtedness to be released must be of bonds or certificates of stock. I conclude, therefore—

1. The issues under the act of June 7th, 1837, estimated as outs, ending on the 1st of July, 1850, principal and interest, \$1,651,590.

2. Outstanding issues, as above, under the acts of November 18, 1836, May 15, 1833, January 22, 1839, and January 14, 1840, \$2,582,902.

3. Outstanding issues of certificates of stock of ten per cent. consolidated fund, by the act of February 5th, 1840, \$1,628,936.

4. Outstanding issues of eight per cent. bonds, under the act of February 5th, 1840, \$1,472,908.

These particular sums amount, in all, to \$7,336,356 on the 1st of July, 1850, to which is to be added the interest which may have since accrued; the said amount having, however, been reduced to \$3,798,795, according to the scale adopted by the State of Texas.

I exclude all the indebtedness of Texas described in the report of the auditor as "audited drafts," and also the new issues under the act of March 20th, 1848, the nature of which does not appear, but which seems to be recognised by all parties as not being of bonds or certificates of stock within the purview of the act of Congress.

I feel constrained, also, as already intimated, to exclude the promissory notes, mostly without interest, issued under the act of June 9th, 1837, in all the form and similitude of a common bank bill. I am unable to regard this paper as either bonds or certificates of stock.

**THE SIXPENNY SAVINGS BANK.**—The utility of this newly-conceived institution is every week further developed. The deposits already amount to more than twenty-three thousand dollars, and they promise to swell to a much larger sum. It is curious to witness the anxious little faces of the depositors in placing their reserved funds here for safe keeping. The congregated gatherings of sixpences will, in the course of time, make a respectable capital, and the moral effect upon the lower classes will be of the best order. It has been wished before this,

*"An I had but one penny in the world,"*

and so it is wished now by many a ragged and barefooted urchin. The young capitalist now enlarges his vision, and, with Dromio, may say,

*"O, sixpence that I had o' Wednesday last,"*

that he may make his weekly deposit, and add to the safety fund for future days.

The liberality of the Board of the new Sixpenny Savings Bank ensures to the depositor an interest of six per cent. on his accumulations. Such is the ambition now evinced among the juveniles, that the regular deposit day is looked for with pleasure. Many a "nimble sixpence," or "slow shilling," that would otherwise be wasted in some little extravagance or folly, is now embedded in the bank, where the soil will produce rich fruits.

It is only necessary to call the attention of the community to the recent establishment of the Sixpenny Savings Bank, at 336 Broadway, in order to ensure liberal encouragement for the enterprise. It is a *public charity* that must, sooner or later, accomplish much good to the rising generation, and save many a poor child from the poverty which follows idleness and wastefulness. Every depositor in the new institution may be looked upon as a useful member of the community, saving for himself, and making a good example to his neighbor.—*N. Y. Courier and Eng.*

**CURRENT BANK NOTES.**—Some time ago a case was brought before the Court of Common Pleas, of Dauphin county, Pennsylvania, after a hearing of which, the Judge decided, "that a payment in current bank notes discharged a debt, even though the bank had previously failed, *provided both parties were ignorant of the fact.*"

The case was recently taken to the Supreme Court, and there the decision of the Court below was unanimously confirmed by the Judges. The Chief Justice remarked, that, by the conventional rules of business, a transfer of bank notes was regulated by different principles from a transfer of other promissory notes. "They are lent," said he, "by the banks as cash;" they are paid away as cash; and the language of Lord Mansfield was not too strong when he said, "*they are not goods, nor securities, nor documents for debts, but are treated as money, as cash, in the ordinary course and transaction of business, by the general consent of mankind, which gives them the credit and currency of money to all intents and purposes. They are as much money as guineas themselves are, or any other coin that is used in common payments as money or cash.*"

The Chief Justice admitted, in the fullest manner, the right of any man to decline receiving bank notes in payment for a debt, and to ask payment in coin. "But," says he, "where the party has accepted, *without reserve*, what the conventional laws of the country declare to be cash, his claims to any thing further is at an end. The creditor agrees to take the risk of the bank's solvency when he makes its notes his own, and accepts them as cash, without any qualification."

This decision of the Supreme Court of Pennsylvania is in exact accordance with the doctrines we have always proclaimed, namely, that bank notes are, to all practical intents and purposes, the *money* of the country. They are what determine prices. They are what discharge debts. They are, however, a *false* and *deceptive* money. They cannot adequately *measure values*, except when the commencement and the conclusion of enterprises are brought very close together.

If bank notes were, what some suppose them to be, *mere* commercial medium, mere *substitutes* for money, the use of them would not be objectionable. But they have this character only when they are for large amounts, and take the place which would otherwise be filled by bills of exchange. When they are for such small amounts as to form a part of what is called "the consumptive circulation," they become *money*; but money of such a character as deceives every man who enters into

contracts on time, or engages in enterprises which it requires a long time to bring to completion.

The intention of the framers of the Constitution was, that this should be a hard money country. But this intention has been completely frustrated by the establishment of paper money banks.

## NEW YORK COMMERCE.

	Cash Duties.	Merchandise thrown on the market.	Total Imports thrown on the market.
September 30th, 1851, . . . . .	\$9,402,997 80	\$38,153,083	\$36,542,284
December 31st, 1851, . . . . .	5,025,600 18	21,910,198	22,177,207
March 31st, 1852, . . . . .	7,617,887 73	33,887,128	34,627,578
June 30th, 1852, . . . . .	6,632,425 16	29,029,346	30,167,077
	<u>\$28,678,910 86</u>	<u>\$123,965,705</u>	<u>\$125,514,066</u>
September 30th, 1852, . . . . .	\$10,231,190 08	\$42,765,399	\$42,039,179
December 31st, 1852, . . . . .	6,901,234 90	28,509,189	28,765,460
March 31st, 1853, . . . . .	11,125,501 47	49,326,664	49,730,864
June 30th, 1853, . . . . .	9,681,000 00	42,240,000	42,821,000
	<u>\$37,883,926 40</u>	<u>\$162,841,252</u>	<u>\$164,356,496</u>

The first column shows the amount of cash duties at this port, (hospital money not included,) the second, the imports (exclusive of specie) thrown upon the market, and the third, the total imports, including specie. We have given this amount instead of the total entries at the port, as the duties are chiefly paid upon the direct entries, and the withdrawal from warehouses, but the difference between the two is not material. The total is \$164,800,000 instead of \$190,000,000 as given by our cotemporary.

**THE SUFFOLK BANK.—Excitement among the banks in State-street.**—It will be remembered that a day or two since we mentioned that the Directors of the Suffolk Bank had issued a circular in regard to the redemption of foreign money, wherein they stated that owing to the large amount sent in to them at a late hour, requiring the clerks to work until an unseasonable hour, they had decided, after the 1st of October, to receive no foreign money after 12 o'clock.

The other banks, immediately on the appearance of this circular, called a meeting and yesterday the presidents of the various banking institutions in the city, convened at the Merchants' Bank building to consult as to what course it was best to pursue in the matter. The grievance of not allowing all the foreign money received during the hours of business, to be assorted and counted on the same day, was duly discussed, and after considerable consultation, a committee, of which Andrew T. Hall, Esq., of the Merchants' Bank, was appointed chairman, were instructed to notify the Suffolk Bank to withdraw their circular, and to receive all foreign money from the banks up to two o'clock, or else the Boston banks should all withdraw their special deposit, and immediately organize a new bank under the general banking law, to redeem the bills of all the New England banks. The Boston banks have about \$200,000 deposited, with the Suffolk Bank to pay them for redeeming foreign money, and this it is proposed to withdraw as capital for the new institution. Considerable feeling seemed to exist with regard to the matter, it being thought that the profits of the Suffolk Bank, from the foreign money department, would warrant the employment of enough clerks to do the work.

The *Courier* says further in relation to this matter as follows:

**The Suffolk and Associated Banks.**—A few days since, the Suffolk Bank issued a circular to the Boston banks, stating that owing to the immense increase of their redemption of "foreign money," averaging a million of dollars daily, an amount double that contemplated when their present arrangements with the banks were made, they must, on and after the first of October, decline receiving the foreign money of the Boston banks after 12 o'clock at noon.

On Monday last, the president of that so-called associated institution, held a meeting at the Merchants' Bank, for the purpose of considering the Suffolk's circular.

The meeting was fully attended, and great unanimity was manifested. It was proposed to refuse a compliance with the circular, and establish at once a bank, under the general banking law, the capital to be made up by those banks themselves, each to share in proportion to its own capital, which new bank should take the place of the Suffolk, and pursue the same system of redeeming New England money.

On further deliberation, it was resolved to appoint a committee of five of their number to confer with the Suffolk, and request that institution to withdraw its circular. The Directors of the Suffolk Bank will give their answer to-day, (Wednesday,) and it is understood that if it should be unfavorable to concession, our city banks will withdraw their permanent deposit from the Suffolk, and proceed at once to the establishment of the new redemption bank alluded to above. The amount of these deposits is about \$200,000, in addition to which the country banks keep in the aggregate a large special deposit, independent of the ordinary balances of those of them who place their general account with this great foreign money agent, on none of which is any interest allowed.

A disposition to divide the profits of this redemption mutually among all the banks interested, has long been a favorite object—therefore any attempt to alter materially the existing facilities of its transactions, will unquestionably, sooner or later, be met with some decided action by the Suffolk Bank.

The system itself may be said to be admirable and universally popular—it amply pays its way—it is reasonably economical, regular and safe; it should be preserved upon the principle of accomplishing the greatest good to the greatest number.

Among other important considerations, its essential feature is to equalize the currency of New England, a serious element of our prosperity; and the burdens upon it should be simple and light. The additional restrictions which the Suffolk Bank feels called upon to impose, are mainly clerical, but their effect is to lock up nearly a moiety of the daily receipts of New England country bank notes belonging to the trading community. The associated banks must either hold it, or the merchants; in the end, the result is the same.

The present force in the foreign money department of the Suffolk, is 49 clerks, the number having gradually increased, in proportion to the increase of the amount of redemption. The labor required in this department is no doubt at times onerous, but the profits have been large. It would, in view of all things, seem to be altogether more advantageous to meet the case by means less injurious to the material prosperity of the community at large. The banks issuing this currency require no delay in redeeming—their funds are ready, it is a question merely of the best mode of facilitating it, whilst the great general principle, that the nearer to a cash redemption, the better the circulation, is thoroughly settled. The subject is an important one—it is in good hands, and it will be met with a single view to the general interest.

This is a good time for the banks in Maine to establish their independence.—*Boston Traveller, Sept. 27.*

**COMMERCE OF FRANCE.**—According to documents just published by the French Government, the total amount of the commerce of France with foreign countries in 1852 was equal to £124,800,000, imports and exports together, being an increase of 12 per cent. over 1851. Of this total, 72 per cent. represents the imports and exports by sea, and 28 per cent. by land. The amounts for the principal countries trading with France were as follows in each year:

	1851.	1852.		1851.	1852.
England, . . .	£16,680,000	£19,400,000	Naples, . . .	£1,640,000	£2,200,000
United States, . . .	14,640,000	18,430,000	Netherlands, . . .	1,840,000	1,920,000
Belgium, . . .	12,680,000	14,240,000	English possessions in India, . . .	1,680,000	1,800,000
Switzerland, . . .	9,640,000	10,760,000	Tuscany, . . .	1,440,000	1,600,000
Sardinia, . . .	7,040,000	8,080,000	Cuba and Porto Rico, . . .	1,120,000	1,440,000
Spain, . . .	5,280,000	5,480,000	La Plata, . . .	1,040,000	1,160,000
German Customs Union, . . .	4,160,000	4,800,000	Egypt, . . .	680,000	1,060,000
Turkey, . . .	3,280,000	3,360,000	Mexico, . . .	1,240,000	1,040,000
Russia, . . .	1,680,000	2,880,000	Peru, . . .	880,000	1,000,000
Brazil, . . .	2,960,000	2,720,000			

**GOLD IN THE BRITISH ISLANDS.**—A paper was read at the British Association on Thursday, by Mr. Calvert, from Australia, on the production of gold in the British islands. He stated that gold was found in forty counties in these islands, and over an area of 50,000 square miles. The gold regions were the West of England, North Welsh, Mid-England, Northumbrian Lowland, Highland, Ulster, and Leinster. The West of England region might be divided into three districts, Cornwall, Dartmoor, and Exmouth, or West Somerset. In Cornwall the tin streams, which were of the same composition as gold diggings, had long been known to contain nuggets and coarse dust, or hops of gold, but had only been slightly worked by Sir C. Hawkins, at Ladoch. The largest Cornish nugget was not worth more than about ten guineas. The Cornish districts were very rich in gold. The Dartmoor district contained gold in its northern and southern streams. In the West Somerset were four companies for working gold ores. From 55 tons of Poltimore ores, 102 ounces of gold were lately reduced, being at the rate of 18 dwts. per ton, or twice the rate of the St. John del Rey ores. There were no reported river deposits, but gold ores had been worked at Carnhusian Issa, Berthllwyd, Dolfrwynos, and other places. The Northumbrian regions embraced Alston Moor; but the chief known gold field was in Westmoreland and Cumberland. In the Goldscoop mine gold had been found in the copper for ages, and he (Mr. Calvert) discovered it in many of the ores and rivers of the district. He showed specimens from High Treby, Caldbeck Fells, the Buttermere and Crumwick Road, Borrowdale, Buttermere, and Bassenthwaite, and a fine lump of gold gossan, which weighed originally 57 oz. The south of Scotland district had only been worked for its river deposits in Clydesdale and Nithsdale, but in his opinion it extended throughout the lowlands. Gold was found in above forty brooks or gullies, and all of the miners have gold for sale, obtained in their holyday excursions. Mr. Calvert mentioned, that in the manuscripts of Queen Elizabeth's time the diggers relied on "keele," a reddish earth, as an indication of gold, and the miners do now. He had seen it also in Westmoreland, and had recognised it also in Australia and elsewhere. He found gold in the Lowther Burn, Long and Short Cleuch Burns, Mannock Water, Kepple Burn, Glengomar, Elvanwater, Goldscoop, and other places. At Wanlockhead he saw gold in the midst of the town. At one place the miners, two years ago, got gold, which at Glasgow they sold for £42.

**THE PANAMA RAIL-ROAD.**—The whole length of this road from Aspinwall, on the Atlantic side, to Panama, on the Pacific side, is 49 miles. It crosses an elevation of 276 feet above high tide at Aspinwall, which will be graded down to 250 feet. The general direction and course of the road from Aspinwall to Panama, is from northwest to southeast, a direction hardly anticipated by those not acquainted with the topographical peculiarities of that region. The gauge of the road is five feet, and the sharpest curve one of fifteen degrees. The iron is brought from Wales, and it is what is called the heavy W rail, but some T rail will be used. It strikes the Chagres River about seven and a half miles from Aspinwall, and follows the general course of the river to three miles above Gorgona, where it leaves the river and continues in a south-east direction to the height of land between the two oceans, in the direction towards Panama. It crosses the Chagres River at Barbacoas, the present terminus of the road, where a substantial bridge, 626 feet long, with three piers, is now erecting, the timber and wood work of which is constructed at Darien, Ga. There will be no grade on the road over 50 feet to the mile, except for one mile, where it is 70 feet.

**LIFE INSURANCE.**—The Supreme Court (Pa.) decided, in the case of Callender vs. Keystone Life Insurance Company, it is clearly decided, that any misrepresentations or concealment by any applicant for insurance, of a fact which is natural to the risk, whether made by mistake or fraud, is fatal to the policy; and that any fact which, if known, would increase the risk of the premium, is material. The defence set up by the company was, that Callender had committed suicide, and that moreover he had misrepresented his occupation at the time of applying for his policy, by calling himself a farmer, whereas he was engaged in slave catching. These facts were clearly made out on the trial, and the Supreme Court affirm that such defence is a good one, and fatal to the policy.

**OHIO STATE STOCK BANKS.**—*Columbus, August 19, 1853.*—A meeting of the representatives of the State Stock Banks of the State of Ohio having been held in this city on the 18th and 19th inst., for the purpose of inquiring into the frauds said to have been perpetrated upon the said banks, by putting in circulation the genuine notes of said banks with forged signatures and filling up, the undersigned present to the public the following, as the result of their investigations thus far:

1st. That the amount of such paper in circulation is comparatively small, and may be, by the information here given, readily detected.

2d. That in all such frauds, the names of the Registers, as well as those of the Presidents and Cashiers, and the filling up, are forged; and the numbering is imperfectly executed, and is in striking contrast with the genuine figures of the Register on the true notes.

3d. That we have discovered no frauds of this description on the following named banks, to wit:

Union Bank of Sandusky City.  
Franklin Bank of Portage County.  
Bank of Commerce, Cleveland.  
Merchants' Bank of Massillon.  
Stark County Bank.  
Pickaway County Bank.  
Iron Bank of Ironton.

4th. Measures have been taken to procure a new plate on which to print the circulation for said banks, as soon as the same can be prepared, and that no more impressions of the old plate will be issued. As the circulation of the State Stock Banks of the State of Ohio is well secured by Ohio and United States Stock deposited with the Auditor of State, and is unquestionably good, with the exception of the frauds above named, we caution the public against any sacrifice on it, and assure them that no loss can possibly attend any of the genuine notes of said banks.

We also say, that the banks we represent will continue to receive the issues of all the State Stock Banks as usual.

Signed,	H. B. HURLBUT, Cashier Bank of Commerce.
	THOMAS EARL, Cashier of Franklin Bank, of Portage County.
	J. STEES, President of Merchants' Bank, Massillon.
	JAMES O. WILLARD, Cashier of Iron Bank, Ironton.
	M. BROWN, President of Pickaway County Bank.
	O. BOWEN, President of Marion Bank.
	J. A. SAXTON, President of Stark County Bank.
	S. W. TORREY, Cashier Union Bank, Sandusky City.
	A. W. BROCKWAY, Cashier Forest City Bank.
	B. F. SANFORD, Cashier of Savings Bank, Cincinnati.
	WILLIAM McMEEN, Cashier of Springfield Bank.
	H. P. ESPY, Cashier of Champaign County Bank.

**UNITED STATES COIN IN BRITISH WEST INDIA COLONIES.**—The following information in relation to the value of United States gold coin in England has been issued from the State Department at Washington:

Information has just been received at this department from the United States Consul at London, that by royal proclamation the gold coins of the United States herein mentioned shall circulate and be received in payment in the British West India Colonies, as being of the full value and equivalent to current money of the United Kingdom, at the rates herein specified, that is to say:

The eagle at the rate of forty one shillings sterling.  
The half eagle at the rate of twenty shillings and sixpence sterling.  
The quarter eagle at the rate of ten shillings and three pence sterling.  
The gold dollar at the rate of four shillings and one penny.

And in all payments to be made in the said colonies, tender and payments in the said coins, or either of them, at the respective rates aforesaid, shall be deemed and taken to be lawful tender in the same manner as if such tender had been made in the current coin of the United Kingdom.



**CITIZENS' BANK OF LOUISIANA, New Orleans, October 15, 1853.**—Notice is hereby given, that books of subscription to the remaining undisposed shares of the cash stock of this bank, of \$100 each, will be opened, at this office, on Thursday next, the 20th October, instant, under the superintendence of the Board of Directors. The subscription to be received every day, Sundays excepted, between the hours of 10 A. M., and 3 P. M., until the whole of said stock shall have been subscribed for.

The conditions of this subscription are the same as defined in the compact adopted by the Board of Directors on the 20th July last, except so far as subsequently modified by the Board in the following supplementary provision, which has been added to the third article of said compact, as part thereof, and shall be binding as such, on and between the subscribers to the cash stock and the holders of the mortgage stock respectively, their heirs and assigns.

By order of the Board.

EUG. ROUSSEAU, *Cashier.*

*Supplementary Provision to Article III.*

"The books and accounts of this department shall be kept by an officer, to be designated as the 'Controller of the Mortgage Stock Department.' He shall receive and retain, under his and the Cashier's joint control, until deposited with the note clerk or other officer of the bank for collection, the stock and contribution notes, bills receivable, bonds and other evidence of debt belonging to this fund; and it shall be the duty of the Controller to report to the Board all defaulters or parties in arrears, within three days after any stock note or other obligation belonging to this department shall have become due and remain unpaid. He shall also take charge of all policies of insurance deposited with the bank, as collateral security, and cause the same to be renewed from time to time, as required by the charter, and further perform such other duties appertaining to the administration of this department of the bank as may be required by the Cashier or Board of Directors. The Controller shall be appointed by the Board of Directors, in the same manner, and his tenure of office shall be the same as provided in the by-laws for the other officers of the bank. He shall give security for the faithful performance of the duties of his office, and shall receive such compensation as may be fixed by the Board, not exceeding three thousand dollars per annum, to be paid out of the funds of the said Mortgage Stock Department."

**NEW SILVER COIN.**—The Assistant Treasurer of the United States for the port of New York has issued the following circular, which will convey acceptable information to our banks, and through them to our merchants and traders:

"The Secretary of the Treasury, with a view to the accommodation of the business community of New York, has placed to the credit of the undersigned, at the mint in Philadelphia, the sum of two hundred thousand dollars in the new silver coin, for the purpose of introducing it into circulation. The undersigned, on receiving from any bank in this city the sum of two thousand dollars in gold coin, will give his check for the same amount, payable in silver coin, by the Assistant Treasurer of the United States, at the mint in Philadelphia.

"He will be ready to receive such deposits on Monday, 24th inst.

JOHN A. DIX,  
*Assistant Treasurer U. S.*

It is stated that the sum of two hundred thousand dollars is in silver coin of the various denominations authorized by the acts of Congress, approved on the 15th and 21st of February, 1853. The silver coins will be delivered in such descriptions as shall be desired by the banks. The coins authorized consist of pieces of 3, 5, 10, 25 and 50 cents each.

We are pleased to announce, that there is a prospect that silver change will again be plenty, and that the great annoyance for a small circulating medium which has so long been felt, is to be relieved. The Director of the Mint has issued the following notice:

MINT OF THE UNITED STATES,  
Philadelphia, October 20, 1853. }

The Director gives notice that silver coins will be paid out at the mint in exchange for gold coins, in sums not less than one hundred dollars, of any one denomination of coin, and in larger amounts at the option of the Director.

(Signed,)

JAMES ROSS SNOWDEN, *Director.*

The expense of getting silver from the mint to all parts of the country by express is quite small, and in a few weeks we may expect a good supply.

STOCKS IN MAINE.—*Stock List for the week ending November 19, 1853. Corrected by Wm. H. Wood, Stock and Exchange Broker, Portland.*

Description.	Par. value.	Offered.	Asked.
State of Maine Bonds, 1856, . . . . .		101	103
City Bonds, 18 years, payable in Boston, . . . . .		102	103
Atlantic Stock, . . . . .	100	98	100
Bank of Cumberland do. . . . .	40	48	50
Canal Bank do. . . . .	100	102	104
Casco Bank do. . . . .	100	100	102
Merchants' Bank do. . . . .	75	81	82
Manufacturers and Traders' do. . . . .	50	54	55
Portland Company do. . . . .	100	99*	100
Portland Gas Company do. . . . .	50	51	53
Sebago Lake Ice Co. do. . . . .	100	106	108
Ocean Insurance Co. do. . . . .	100	80	82
Portland S. & P. R. R. Co. do. . . . .	100	99½	100
At. and St. Lawrence R. R. do. . . . .	100	80	82
Do. do. Stock Scrip, . . . . .		80	85
Do. do. Bonds, . . . . .	100	98	94
And. and Kenebec R. R. Stock, . . . . .	100	80	83
Do. do. Bonds, . . . . .	100	84	85
Androscoggin Rail-Road Stock, . . . . .	50	15	25
Do. do. Bonds, . . . . .	—	—	—
Ken. and Portland R. R. Stock, . . . . .	100	41	43
Do. do. Bonds, . . . . .	100	—	90
York and Cumberland R. R. Stock, . . . . .	50	12	15
Do. do. Bonds,* . . . . .	100	70	71
At. and St. Law. R. R. Interest Scrip, . . . . .	100	100	105
Portland Steam Packet Company, . . . . .	800	890	400
Portland Marine Railway Company, (closing up.)			
C. Elizabeth Wharf and Railway Co. . . . .	50	45	50
Portland Manufacturing Company, . . . . .	52	40	45
Casco Manufacturing Company, . . . . .	100	—	—
Saccarappa Manufacturing Company, new stock, . . . . .	33	33	40

Bank stock is quoted dividend off.

## BANK ITEMS.

MAINE.—Edward P. Gerrish, Esq., has been elected Cashier of the Casco Bank, Portland, in place of John Chute, Esq., who declined a re-election.

Farmington.—The Sandy River Bank was organized on the 28th of October, at Farmington: President, Samuel Belcher, Esq.; Cashier, Thomas G. Jones, Esq.

MASSACHUSETTS.—Charles A. Putnam, Esq., was, on the 21st of October, appointed Cashier of the Washington Bank, Boston, in place of D. A. Sigourney, Esq., resigned.

Boston.—John Tillson, Esq., has been elected President of the new Broadway Bank, in place of Isaac Adams, Esq., resigned.

Worcester.—Samuel Jennison, Esq., has resigned the office of Treasurer of the Worcester County Savings Institution, after twenty-five years service. He had also been Cashier of the Worcester Bank from August 25, 1812, till October 20, 1846.

\* Dividends off.

*Lynn*.—William Bassett, Esq., has been chosen Cashier of the Lynn Mechanics' Bank, in place of James Oliver, Esq., resigned.

*Lowell*.—The Wamesit Bank commenced business at Lowell, on Tuesday, November 1st. President, Horace Howard, Esq.; Cashier, John H. Buttrick, Esq.

*Greenfield*.—Edwin Maynard, Esq., hitherto Cashier of the Wyoming County Bank, Warsaw, N. Y., has been elected Cashier of the Franklin County Bank, Greenfield, in place of A. G. Hammond, Esq., who has accepted the Cashiership of the Hartford Bank.

**CONNECTICUT**.—The Charter Oak Bank commenced business at Hartford in October, under authority of the general banking law of Connecticut. President, C. T. Hillyer, Esq.

**NEW YORK**.—William H. Johnson, Esq., for many years Cashier of the Merchants' Exchange Bank, was, on the 2d November, elected President of the Hanover Bank in this city. Edward J. Oakley, Esq., for some years Assistant Cashier of the former institution, is now promoted as Cashier.

*Warsaw*.—Charles Mosher, Esq., has been appointed Cashier of the Wyoming County Bank, Warsaw, in place of Mr. Maynard, who has accepted the Cashiership of the Franklin County Bank, at Greenfield, Mass.

*Troy*.—The Market Bank of Troy commenced business on the 25th October last, with a capital of \$200,000. President, J. S. Hakes, Esq.; Vice-President, Elias Johnson, Esq.; Cashier, A. C. Gunnison, Esq., hitherto Cashier of the Bank of West Troy.

*Owego*.—In consequence of the loss sustained by the Bank of Owego, in consequence of the failure of Mr. H. Dwight, Jr., the President and Cashier have resigned, and are succeeded by George Hewett, Esq., as President, and George W. Warner, Esq., as Cashier.

**MARYLAND**.—A meeting of the stockholders of the Farmers' Bank of Maryland will be held in the city of Annapolis, on Thursday, the 8th day of December next, for the purpose of deciding the question which will then be submitted to them, whether the branches of the said bank now established at Easton and Frederick, shall be separated from the parent bank at Annapolis, and from each other, and be established and organized as distinct banks, as authorized and provided for by the act of Assembly, of January session, 1853, chapter 441, entitled, "an act to continue the corporate existence of the several banking institutions therein mentioned."

**PENNSYLVANIA**.—On the 10th November, at a meeting of the Board of Directors of the Kensington Bank, Philadelphia, the resignation of Jonathan Wainwright, who has been President of the institution for over 21 years, was accepted, and resolutions acknowledging his long and faithful services unanimously adopted. After which, the Hon. John T. Smith was unanimously elected to fill the vacated place.

**NORTH CAROLINA**.—The Bank of Yancyville commenced business a few weeks since. Cashier, Joseph J. Lawson, Esq.

**SOUTH CAROLINA**.—The Planters' Bank of Fairfield has commenced business at Winnsboro, with a capital of \$300,000. President, James R. Aiken, Esq.; Cashier, H. L. Elliot, Esq., each of whom has had an experience of twenty years in commercial and financial affairs.

**OHIO**.—H. K. Lawrence, Esq., has been appointed Cashier of the Bank of Circleville, in place of the late Gen. Hoel Lawrence.

**TEXAS, MISSISSIPPI AND ALABAMA**.—Much difficulty has been hitherto experienced in finding channels for the collection of bills of exchange and notes in the interior of these States. We refer our readers to the advertisement of Messrs. Cochran & Co., of New Orleans, who offer to make such collections at a large number of small towns in the southwestern section of the United States.

**CALIFORNIA.**—There are no banks of discount and circulation in California. The Savings' Bank of Messrs. Robinson & Co., at San Francisco, receives money on deposit at six per cent. interest, and furnishes exchange on the Atlantic Cities. Persons who are about visiting or removing to that State, will do well to take certificates of deposit from some of the eastern banks, on which a liberal premium in gold will be paid by Messrs. R. & Co. We refer to their circular on the cover of this work.

**BANK FAILURES.**—In consequence of the suspension of Mr. H. Dwight, Jr., in New York City, the Bank of Massillon, Ohio, of which he was a large stockholder and debtor, has failed. The official report of liabilities and assets, in August last, was as follows:

LIABILITIES.		ASSETS.	
Capital, . . . . .	\$200,000	Loans, . . . . .	\$345,084
Circulation, (no security,) . . . .	877,682	Specie, . . . . .	71,640
Due to other banks, . . . . .	190	Deposits in eastern banks, . . . .	808,440
Due individual depositors, . . . .	20,423	Miscellaneous, real estate, &c., . .	18,563
Surplus funds, . . . . .	45,876		
	<u>\$648,636</u>		<u>\$648,686</u>

From this statement, and the character of its recent loans, it would appear that the bill holders have ample security, providing that the assets of the bank are not forced upon the market too early.

**Buffalo.**—We learn, also, that the Patchin Bank, at Buffalo, suspended, on the 7th of November, in consequence of advances on rail-road securities. The circulation and deposits of the bank will, no doubt, be fully met at an early day. We learn that the bank's statement, in June last, was as follows, and its condition at present does not, probably, differ from that. The securities of the bank, deposited with the superintendent of the banking department, according to the last annual report, were :

Bonds and Mortgages, . . . . .	\$50,989
New York State 4½ per cents., . . . .	15,000
Do. 5 do. . . . .	12,100
United States 5 do. . . . .	28,900
Cash on deposit, . . . . .	10,521
Total, . . . . .	<u>\$117,510</u>

LIABILITIES.		RESOURCES.	
Capital, . . . . .	\$100,000	Loans, . . . . .	\$421,155
Circulation, . . . . .	103,488	Do. to brokers, . . . . .	54,978
Deposits, . . . . .	195,750	Real estate, . . . . .	29,120
Profits, . . . . .	18,527	Bonds and mortgages, . . . .	93,766
Due Treasurer of State of N Y., . .	49,023	Stocks, . . . . .	84,000
Due other banks, . . . . .	282,374	Specie, . . . . .	5,816
	<u>\$746,114</u>	Miscellaneous, . . . . .	52,279
Total, . . . . .		Total, . . . . .	<u>\$746,114</u>

This unfortunate and unlooked for event is understood to have been brought about by large advances to the Buffalo and New York City Rail-Road Company, whose affairs, under the extreme pressure of the money market, have, for the time, become seriously embarrassed. The President and principal owner of the bank, Mr. Patchin, is also president of the road, and having felt the deepest interest for the success of this important and valuable public improvement, has been induced to assume liabilities, which, pending the present difficulty of disposing of its bonds and securities, has resulted in the discredit of the bank. But the bills of the bank are abundantly secured by the banking department, and there is little doubt that the private fortune of Mr. Patchin, which, it is understood, will be devoted to the object, will protect depositors and creditors from ultimate loss.

It may be proper to add, that the Buffalo and New York City Rail-Road, which we regard as the most important part of the New York and Erie Rail-Road line, is entirely completed and thoroughly equipped, and is now doing a business which affords ample evidence of an ability to meet all its engagements.

*Philadelphia Bank Dividends.*

<i>Dividends.</i>									
<i>May and November.</i>	<i>Capital.</i>	1848.	1849.	1850.	1851.	1852.	1853.	1854.	1855.
Farmers and Mechanics' B'k,	1,250,000	12½	9	15	10	12	7	5	
Girard Bank,	1,250,000	..	..	5	5	6	3	3	
Philadelphia Bank,	1,150,000	12	15	14	11	11	7	5	
Commercial Bank of Penn.,	1,000,000	8	8	8	8	9	5	5	
Mechanics' Bank,	800,000	10	10	12	12	12	6	6	
Western Bank,	500,000	10	10	12	12	12	5	10	
Bank of Northern Liberties,	350,000	10	10	15	10	10	5	5	
Manufacturers and Mechanics'	300,000	7½	8	8	8	8	4	4	
Southwark Bank,	250,000	10	10	15	12	10	5	5	
Kensington Bank,	250,000	10	10	10	15	12	6	6	
Bank of Commerce,	250,000	6	6	10	10	10	5	5	
Bank of Penn Township,	225,000	10	10	10	10	10	5	5	
Tradesmen's Bank,	150,000	new	3	6	6	7	4	4	
<i>January and July.</i>									
Bank of Pennsylvania,	1,875,000	8	8	9	9	8	4	5	
Bank of North America,	1,000,000	10	15	10	15	15	10	8	

PENNSYLVANIA.—The statute of Pennsylvania, contained in our October number, pp. 304, 305, has been repealed, so far as regards sections VII. VIII. and IX.

## NEW WORKS.

1. *The Coinage of the British Empire, from the earliest period to the present time; with a chapter on the proposed system of Decimal Coinage.* By H. NOEL HUMPHREYS. With fac similes of the British and Colonial Coins, represented in their respective metals, gold, silver and copper. 4to. London. Price 21 shillings sterling.

2. *The Ready Reckoner; or, Key to Mental Calculations: showing, at a glance, any calculation in multiplication or division; the cost of any quantity at any price; the interest on any sum for any number of days, at any rate per cent.; the readiest way of equating purchases or payments, &c.* Compiled by J. C. Smith, Bookkeeper at the Citizens' Bank, Cincinnati, Ohio. Price 50 cents.

This is a pocket volume of thirty-four pages, which will be found a material aid to the accountant. The compiler states that, having the interest items to calculate on more than one thousand accounts in the bank ledger, he has felt the necessity of reducing such a labor by means of the tables now published.

3. *Practical Bookkeeping; or, Double Entry adapted to the business of retail merchants and manufacturers.* By J. C. Smith, Bookkeeper, Citizens' Bank, Cincinnati. Published by H. W. Derby & Co., Cincinnati. Price seventy-five cents.

This is a small quarto volume of 56 pages, containing condensed forms of the best modes of opening accounts and account books. His object is to make known that system "which shall combine a saving of labor with the avoidance of errors." As Mr. Freedley says, in his "*Practical Treatise on Business*,"

"Books have been called the tradesman's repeating clock, to tell him how he goes on,"

so a correct system of accounts is essential to any business man, whether his receipts be one thousand dollars or one million of dollars per annum. Insolvency arises more

frequently from the want of a due insight into the balance-sheet, than from want of success in adventures or investments. Mr. Smith's system is that of *posting from the original entries*, and is recommended by him for the use of bankers as well as merchants. To banking institutions on a small scale, this system may be well adapted; but to those on a large scale, the old-fashioned system of book-keeping by double entry commends itself as the safest and most satisfactory in its results.

Copies of Mr. Smith's works can be readily transmitted by mail, by orders addressed to the compiler or the publishers, at Cincinnati.

4. *Cotton Tables: exhibiting at a glance the cost of cotton, with all charges, at Liverpool or Havre, from New Orleans, Mobile, Charleston and New York, at all prices, rates of freight and exchange; and also, the net proceeds resulting from Liverpool and Havre quotations. Likewise, EXCHANGE TABLES; showing the comparative rates of exchange on London or Paris, when the amount of the invoice is drawn on New York at a premium or discount. By J. F. Entz, Accountant and Consulting Actuary. E. B. Clayton & Sons, New York.*

This is a pocket volume of twenty-four pages only, combining information of much importance to cotton dealers, exchange dealers, importers and merchants. The tables are the result of very laborious examination, and are verified by certain tests, which entitle them to implicit confidence.

## Notes on the Money Market.

NEW-YORK, NOVEMBER 23, 1853.

*Exchange on London, at sixty days' sight,  $9\frac{1}{2}$  @  $9\frac{1}{2}$  premium.*

SINCE the 4th inst., there has been a gradual improvement in the condition of the money market. The worst has now passed, and confidence is in a great measure reinstated in business and financial circles. The improved condition of the banks of this city is shown by the official tables copied into the early portion of this number. When we say improved, we mean that they are stronger: but they are not improved, if we look at the accumulating profits of these institutions. Their loans having been reduced from \$97,900,000 in the first week of August to \$83,000,000 at this time, it will be evident that their profits are in the aggregate reduced in about the same ratio, or fourteen per cent.

There is still a stringency in the money market, and the rates on the loans of all kinds are excessively high. We quote prime business paper 10 per cent. per annum as the minimum, while much is done at 15 per cent. Loans on call, 7 @ 9 per cent. Loans on miscellaneous stock securities, 10 to 18 per cent.

The Baltimore and Ohio Rail-Road Company have applied to the City Council of Baltimore for an endorsement by the city of the six per cent. bonds of the Company to the extent of five millions of dollars.

A sale of \$1,200,000 of the bonds of the Company at six per cent. was effected in this market last March, at \$91 17 @ \$95 20. Also \$2,500,000 of the Parkersburg Rail-Road Company bonds, of which \$1,500,000 were guaranteed by the city of Baltimore, and \$1,000,000 by the Baltimore and Ohio Rail-Road Company.

The additional issue and guaranty now required for the Company, will be all that will be required of that city to complete the road. The increasing trade between Ohio and other Western States and Baltimore, and the large supplies of coal from the mines, are urged as inducements for this aid. The stock of the company had recently fallen from 89 and 90 to 44, but has recovered in part this week, and sales were effected this week at 60, cash.

In consequence of the failure of Mr. H. Dwight, Jr., banker of this city, unfavorable reports existed early in the month in reference to the Bank of Owego; but we are glad to say that the Bank enjoys good credit, and that its bills have been punctually redeemed at the agency in this city. The

Patchin Bank at Buffalo, and the Bank of Massillon, Ohio, are the only bank failures that have taken place during the month. These have arisen from large advances on rail-road securities, which could not readily be converted into cash in the present condition of the money market.

Reports have been industriously circulated, no doubt originating with interested parties, that the Bank of the State of New York has received the notes of which they were robbed some few days ago, amounting to about \$37,000, and that one of the tellers of the Bank had absconded, neither of which statements is true:—the Bank has not yet received any tidings of the stolen property, and the community should be on their guard when notes of large amount of the Bank of the State of New York are offered, to be particular that they know the parties offering before they accept them.

By the arrivals during the present month from California, about \$4,500,000 in gold has been received. At present the export of gold to Europe is much reduced when compared with previous weeks. The total exports for the past eleven months from this port have been as follows:

January, \$747,679	May, \$2,162,467	September, \$1,244,193
February, 1,121,020	June, 3,264,282	October, 4,757,974
March, 592,479	July, 3,924,612	November, (to date,) 2,547,407
April, 767,055	August, 1,188,978	
Total for the year 1853, to date, . . . . .		\$22,313,140
Total for the year 1852, to same date, . . . . .		23,743,951

The increased value that is remarked for money in England, has also extended to the Continental markets. Advices from Hamburg state, that an increased demand for money exists there, and that the minimum rate of loans is 6 per cent., and discounts difficult to obtain even at that rate. The Hamburg market has been recently much disturbed by the failures of two well known firms, viz., Messrs. Jacob Von Bergen & Co., and Mr. James Gowa. The latter was a bill and stock broker, and one of the largest speculators in the place. He had extensive transactions also at Berlin, where his suspension was seriously felt.

A new stock company has been projected in London, which enters into a new field of enterprise and might profitably be followed here, and with great advantage to the farming interests. The London project is to establish a Stock Breeding Company, with a capital of £25,000, to be raised by shares of £50 each.

The minimum rate of interest at the Bank of England is five per cent. The exchanges have turned in favor of London, and it is thought that the specie export to the continent is in a measure stopped. The Bank held in coin on the 3d inst. £611,634 in the banking department, and £14,153,850 in the issue departments, making an aggregate of \$14,770,684.

The latest intelligence from Europe gives some assurances that peace will be restored between the belligerent parties at the East; under this belief, English consols had risen two per cent., and had reached, on the 5th inst., 94½. An advance was quoted also in government and rail-road securities in the English market.

The cotton market is dull for this period of the year. An active demand has existed during the last four or six weeks for breadstuffs, at high prices. These have sustained a check, under advices this week from Liverpool: but there is still a margin for profit in the export to England and the continent.

## DEATH.

At Philadelphia, on Friday, November 4th, JOSEPH TROTTER, Esq., aged seventy-one years, President of the Bank of Pennsylvania for several years past.

THE  
BANKERS' MAGAZINE,  
AND  
Statistical Register.

VOL. III. NEW SERIES. JANUARY, 1854.

No. VII.

GOLD AND CURRENCY.

INQUIRIES have been recently instituted as to the circulation of the larger and smaller denominations of the Bank of England notes. The result is as follows :

	2d June, 1849.	7th June, 1851.	4th June, 1853.
Fives,.....	£5,165,000	£5,566,000	£6,479,000
Tens,.....	3,488,000	3,677,000	4,236,000
Twenties to one hundreds,..	5,269,000	5,563,000	6,545,000
Two hundreds to five “ ..	1,464,000	1,566,000	1,923,000
One thousands,.....	2,975,000	2,636,000	4,240,000
	<hr/>	<hr/>	<hr/>
	£18,361,000	£19,008,000	£23,423,000
Post Bills,.....	1,076,000	1,073,000	1,390,000

There is an increased amount in each denomination, viz.: 24.54 per cent. in *fives*; 21.44 per cent. in *tens*; 24.40 per cent. in *twenties* and *one hundreds*; 31.36 per cent. in *two hundreds* and *five hundreds*, and 42.52 per cent. in the *thousand pound notes* in the year 1853, as compared with 1849.

Of the increased amount of gold coin and bullion in Great Britain, it is estimated that but little has been actually derived from Australia, beyond the large sums in coin sent to those colonies for business



purposes. The amount actually imported into England from Australia, is shown to have been as follows :

Year 1851,.....	£28,000
" 1852,.....	6,918,718
" 1853, (first six months),.....	8,812,040
	<hr/>
	£15,758,758

It is estimated by the Governor of the Bank of England, that the value of coin sent to Australia during the same period, was £12,500,000, leaving only £3,253,758 as the actual addition to the gold from that quarter. What has become of the vast amounts received in Great Britain from various quarters of the globe, it is difficult to say.

It is known that the gold coin and bullion in the bank in January, 1852, was .....	£17,558,000
English coinage for the year 1852,.....	8,461,000
" six months, 1853,.....	9,872,000
	<hr/>
	£35,891,000
The import of gold (chiefly eagles) from the United States, in 1851, was.....	7,028,410
In 1852, .....	6,126,000
	<hr/>
	£13,154,410

With all these large additions, less than £16,000,000 remain in the Bank of England, and probably not much more in the hands of the people now than in the year 1849. This would indicate that the gold export from Great Britain to the East has been upwards of thirty millions sterling during the past three years. In 1845 the Bank of England first began the purchase of Russian gold coin ; and in the year 1851 it first bought United States gold coin. Anterior to these dates, the receivers of these coins were under the necessity of melting them into bars, (the only shape in which the Bank would buy their gold,) and as the United States and Russia were the chief gold producing countries, and had extensive commercial intercourse with England, the loss from such transformation of coins into bullion was not trifling. We learn from a late pamphlet, issued with the authority of the Bank, that it was considered desirable that an alteration should be made in this practice, not only with a view to prevent the loss and inconvenience occasioned by the destruction of so much coinage, but also with a view to affording greater facilities on the part of the Bank to its customers and to the public, and the regulations were modified accordingly. The results have fully answered all the expectations of the promoters of the change. In the event of gold being required for export to the United States, or to the North of Europe, it can generally be obtained from the Bank in the form of coin of the country to which the remittance is to be made.

Of American gold coin, the Bank of England purchased during the year 1851 and 1852, £1,660,000.

The fact that bills of exchange in all parts of Europe form an essential part by the currency, is shown in a recent communication of Mr. Newmarch, of the Globe Insurance Company, London. The following is the result of his inquiries, as to the total average amount of bills in circulation at any one period, during the years 1843—1846:

	<i>In Circulation.</i>	<i>Re-Discounted.</i>
In Scotland.....	£18,000,000	£15,000,000
In Lancashire.....	12,000,000	12,000,000
Other parts of England.....	70,000,000	60,000,000
Foreign Bills.....	16,000,000	18,000,000
<b>Total.....</b>	<b>£116,000,000</b>	<b>£100,000,000</b>

The capital and deposits of the various banking institutions of Great Britain (exclusive of London) at a recent date, were found to be one hundred and fifty millions sterling, or above seven hundred millions of dollars, divided as follows:

970 in England and Wales, estimated at £100,000 each....	£97,000,000
360 in Scotland—same.....	36,000,000
170 in Ireland—same.....	17,000,000
	<hr/>
	£150,000,000
London Joint Stock Banks.....	12,448,000
35 City Bankers, £1,250,000 each, average.....	44,000,000
16 West End, do. do. ....	20,000,000
Bank of England.....	36,000,000
	<hr/>
	£262,448,000

The actual fund constantly employed in the London market is set down as about one hundred and forty millions sterling.

The Bank of England at a late date had a circulation of £23,000,000, with coin on hand, £16,000,000, the coin exceeding the capital, and being more than two thirds of the circulation.

The Bank of England, at its recent semi-annual meeting, declared a dividend of four per cent. for the previous six months; holding a reserve (after this dividend) of £3,014,558, or nearly twenty-one per cent. of its capital. The stock in October averaged 220 in the market, yielding, at this rate, about 3.60 per cent. per annum.

The Bank of France, in its September report, showed a circulation of fcs. 503,000,000, at the parent bank, and fcs. 157,000,000 at the branches, an aggregate of fcs. 660,000,000, with coin on hand, in bank and branches, amounting to fcs. 450,000,000, on a capital of fcs. 91,250,000. Their commercial bills discounted were fcs. 294,000,000; loans on railway securities, fcs. 86,000,000, and advances to the State, fcs. 70,000,000, and on French public securities, fcs. 46,000,000.

The Bank of Ireland, with a capital of £3,000,000, is authorized to issue £3,738,000 in notes, but the amount outstanding is only

£2,693,000, viz. : £1,683,000 in £5 and upwards, and £1,010,000 in notes less than £5. The aggregate circulation of all the Irish banks is £5,230,000, viz. :

Bank of Ireland.....	£2,693,000	Ulster Bank.....	£361,000
Provincial Bank.....	765,000	National Bank.....	773,000
Belfast Bank.....	365,000	Carrick-on-Suir Bank.....	17,000
Northern Bank.....	216,000	Clonmel Bank.....	40,000

And their aggregate coin, £1,447,000.

Of the eighteen Scotch banks in operation, the largest circulation is that of the Western Bank, £496,000, and the whole only £3,728,000, with coin on hand, £1,174,000.

The capital, circulation and coin of all the above, reduced to our own currency, would appear to be as follows, (assuming five dollars to the £ :)

Banks.	Capital.	Circulation.	Coin.
Bank of England.....	\$72,765,000	\$115,000,000	\$80,000,000
Bank of France.....	18,250,000	132,000,000	90,000,000
Banks in Ireland.....	24,500,000	26,150,000	7,235,000
Banks in Scotland.....	59,000,000	18,640,000	5,870,000
English Private Banks.....	no returns.	18,380,000	no returns.
Joint Stock Banks.....	no returns.	14,920,000	no returns.
N. Y. City Banks.....	46,000,000	9,151,000	13,691,000

The whole bank note circulation of the United States is estimated at \$180,000,000, and the coin in the bank vaults, \$90,000,000.

The Bank of Scotland was chartered in the year 1695, (one year after that of the Bank of England, and before the union of Scotland and England.) Its present capital is £1,000,000. The Royal Bank of Scotland was chartered in 1727 ; present capital, £2,000,000. The British Linen Company was chartered in 1746, as a manufacturing company, but has been a banking concern ever since. Present capital £500,000, making dividends at 8 per cent., while the others declaring 7 and 5 per cent. respectively.

There are now eighteen *head* banks in Scotland. The number of banks and branches is 403, averaging £29,500 capital. They all exchange at Edinburgh through a "Clearing Room" twice a week—all the country notes being at par in the capital. Formerly the balances were settled by bills on London at ten days' date. Now the system is modified under a general agreement, by which each bank holds a specific amount of Exchequer bills, according to its average circulation. These, while they are bearing interest, and are thus preferable to coin, are used as a medium of exchange and in the payment of ascertained balances.

## HISTORY OF THE MISSISSIPPI SCHEME.

BY CHARLES MACKAY, LL. D.

## CONTENTS.

John Law; his birth and youthful career—Duel between Law and Wilson—Law's escape from the King's Bench—The "Land-Bank"—Law's gambling propensities on the continent, and acquaintance with the Duke of Orleans—State of France after the reign of Louis XIV.—Paper money instituted in that country by Law—Enthusiasm of the French people at the Mississippi Scheme—Marshal Villars—Stratagems employed and bribes given for an interview with Law—Great fluctuations in Mississippi stock—Dreadful murders—Law created comptroller-general of finances—Great sale for all kinds of ornaments in Paris—Financial difficulties commence—Men sent out to work the mines on the Mississippi, as a blind—Payments stopped at the Bank—Law dismissed from the ministry—Payments made in specie—Law and the Regent satirized in song—Dreadful crisis of the Mississippi Scheme—Law, almost a ruined man, flies to Venice—Death of the Regent—Law obliged to resort again to gambling—His death at Venice.

## LIST OF ENGRAVINGS.

Portrait of John Law—The Regent D'Orleans—Law's House; Rue de Quincampoix. (From Nodier's *Paris*)—Hôtel de Soissons. (From Nodier's *Paris*)—Caricature; Lucifer's new Row Barge—The Chancellor D'Aguesseau—Caricature; Law in a Car drawn by Cocks.

## PREFACE BY THE AUTHOR.

IN reading the history of nations, we find that, like individuals, they have their whims and their peculiarities; their seasons of excitement and recklessness, when they care not what they do. We find that whole communities suddenly fix their minds upon one object, and go mad in its pursuit; that millions of people become simultaneously impressed with one delusion, and run after it, till their attention is caught by some new folly more captivating than the first. We see one nation suddenly seized, from its highest to its lowest members, with a fierce desire of military glory; another as suddenly becoming crazed upon religious scruple; and neither of them recovering its senses until it has shed rivers of blood and sowed a harvest of groans and tears, to be reaped by its posterity. At an early age in the annals of Europe its population lost their wits about the sepulchre of Jesus, and crowded in frenzied multitudes to the Holy Land; another age went mad for fear of the devil, and offered up hundreds of thousands of victims to the delusion of witchcraft. At another time, the many became crazed on the subject of the philosopher's stone, and committed follies till then unheard of in the pursuit. It was once thought a venial offence, in very many countries of Europe, to destroy an enemy by slow poison. Persons who would have revolted at the idea of stabbing a man to the heart, drugged his pottage without scruple. Ladies of gentle birth and manners caught the contagion of murder, until poisoning, under their auspices, became quite fashionable. Some delusions, though notorious to all the world, have subsisted for ages, flourishing as widely among civilized and polished nations as among the early barbarians with whom they originated,—that of duelling, for instance, and the belief in omens and divination of the future, which seems to defy the progress of knowledge to eradicate them entirely from the popular mind. Money, again, has often been a cause of the delusion of multitudes. Sober nations have all at once become desperate gamblers, and risked almost their existence upon the turn of a piece of paper. To trace the history of the most prominent of these delusions is the object of the present pages. Men, it has been well said, think in herds; it will be seen that they go mad in herds, while they only recover their senses slowly, and one by one.

Some of the subjects introduced may be familiar to the reader; but the author hopes that sufficient novelty of detail will be found even in these, to render them acceptable, while they could not be wholly omitted in justice to the subject of which it was proposed to treat. The memoirs of the South-Sea madness and the Mississippi delusion are more complete and copious than are to be

found elsewhere; and the same may be said of the history of the Witch Mania, which contains an account of its terrific progress in Germany, a part of the subject which has been left comparatively untouched by Sir Walter Scott in his *Letters on Demonology and Witchcraft*, the most important that have yet appeared on this fearful but most interesting subject.

Popular delusions began so early, spread so widely, and have lasted so long, that instead of two or three volumes, fifty would scarcely suffice to detail their history. The present may be considered more of a miscellany of delusions than a history—a chapter only in the great and awful book of human folly which yet remains to be written, and which Porson once jestingly said he would write in five hundred volumes! Interspersed are sketches of some lighter matters,—amusing instances of the imitativeness and wrongheadedness of the people, rather than examples of folly and delusion.



JOHN LAW.

## MONEY MANIA.—THE MISSISSIPPI SCHEME.

Some in clandestine companies combine;  
 Erect new stocks to trade beyond the line:  
 With air and empty names beguile the town,  
 And raise new credits first, then cry 'em down:  
 Divide the empty nothing into shares,  
 And set the crowd together by the ears.—*Defoe*.

THE personal character and career of one man are so intimately connected with the great scheme of the years 1719 and 1720, that

a history of the Mississippi madness can have no fitter introduction than a sketch of the life of its great author, John Law. Historians are divided in opinion as to whether they should designate him a knave or a madman. Both epithets were unsparingly applied to him in his lifetime, and while the unhappy consequences of his projects were still deeply felt. Posterity, however, has found reason to doubt the justice of the accusation, and to confess that John Law was neither knave nor madman, but one more deceived than deceiving, more sinned against than sinning. He was thoroughly acquainted with the philosophy and true principles of credit. He understood the monetary question better than any man of his day, and if his system fell with a crash so tremendous, it was not so much his fault as that of the people amongst whom he had erected it. He did not calculate upon the avaricious frenzy of a whole nation; he did not see that confidence, like mistrust, could be increased almost *ad infinitum*, and that hope was as extravagant as fear. How was he to foretell that the French people, like the man in the fable, would kill, in their frantic eagerness, the fine goose he had brought to lay them so many golden eggs? His fate was like that which may be supposed to have overtaken the first adventurous boatman who rowed from Erie to Ontario. Broad and smooth was the river on which he embarked; rapid and pleasant was his progress; and who was to stay him in his career? Alas for him! the cataract was nigh. He saw, when it was too late, that the tide which wafted him so joyously along was a tide of destruction; and when he endeavored to retrace his way, he found that the current was too strong for his weak efforts to stem, and that he drew nearer every instant to the tremendous falls. Down he went over the sharp rocks, and the waters with him. He was dashed to pieces with his bark, but the waters, maddened and turned to foam by the rough descent, only boiled and bubbled for a time, and then flowed on again as smoothly as ever. Just so it was with Law and the French people. He was the boatman, and they were the waters.

John Law was born at Edinburgh in the year 1671. His father was the younger son of an ancient family in Fife, and carried on the business of a goldsmith and banker. He amassed considerable wealth in his trade, sufficient to enable him to gratify the wish, so common among his countrymen, of adding a territorial designation to his name. He purchased with this view the estates of Lauriston and Randleston, on the Frith of Forth, on the borders of West and Mid Lothian, and was thenceforth known as Law of Lauriston. The subject of our memoir, being the eldest son, was received into his father's counting-house at the age of fourteen, and for three years labored hard to acquire an insight into the principles of banking as then carried on in Scotland. He always manifested great love for the study of numbers, and his proficiency in the mathematics was considered extraordinary in one of his tender years. At the age of seventeen he was tall, strong, and well made; and his face, although deeply scarred with the small-pox, was agreeable in its ex-

pression, and full of intelligence. At this time he began to neglect his business, and becoming vain of his person, indulged in considerable extravagance of attire. He was a great favorite with the ladies, by whom he was called Beau Law; while the other sex, despising his foppery, nicknamed him Jessamy John. At the death of his father, which happened in 1688, he withdrew entirely from the desk, which had become so irksome, and being possessed of the revenues of the paternal estate of Lauriston, he proceeded to London, to see the world.

He was now very young, very vain, good looking, tolerably rich, and quite uncontrolled. It is no wonder that, on his arrival in the capital, he should launch out into extravagance. He soon became a regular frequenter of the gaming houses, and by pursuing a certain plan, based upon some abstruse calculation of chances, he contrived to gain considerable sums. All the gamblers envied him his luck, and many made it a point to watch his play, and stake their money on the same chances. In affairs of gallantry he was equally fortunate; ladies of the first rank smiled graciously upon the handsome Scotchman—the young, the rich, the witty, and the obliging. But all these successes only paved the way for reverses. After he had been for nine years exposed to the dangerous attractions of the gay life he was leading, he became an irrecoverable gambler. As his love of play increased in violence, it diminished in prudence. Great losses were only to be repaired by still greater ventures, and one unhappy day he lost more than he could repay without mortgaging his family estate. To that step he was driven at last. At the same time, his gallantry brought him into trouble. A love affair, or slight flirtation, with a lady of the name of Villers,\* exposed him to the resentment of a Mr. Wilson, by whom he was challenged to fight a duel. Law accepted, and had the ill fortune to shoot his antagonist dead upon the spot. He was arrested the same day, and brought to trial for murder by the relatives of Mr. Wilson. He was afterwards found guilty and sentenced to death. The sentence was commuted to a fine, upon the ground that the offence only amounted to manslaughter. An appeal being lodged by a brother of the deceased, Law was detained in the King's Bench, whence, by some means or other, which he never explained, he contrived to escape; and an action being instituted against the sheriffs, he was advertised in the Gazette, and a reward offered for his apprehension. He was described as "Captain John Law, a Scotchman, aged twenty-six; a very tall, black, lean man; well-shaped, above six feet high, with large pock-holes in his face; big nosed, and speaking broad and loud." As this was rather a caricature than a description of him, it has been supposed that it was drawn up with a view to favor his escape. He succeeded in reaching the Continent, where he travelled for three years, and devoted much of his attention to the monetary and banking affairs of the countries through which he passed. He stayed

---

\*Miss Elizabeth Villers, afterwards Countess of Orkney.



a few months in Amsterdam, and speculated to some extent in the funds. His mornings were devoted to the study of finance and the principles of trade, and his evenings to the gaming-house. It is generally believed that he returned to Edinburgh in the year 1700. It is certain that he published in that city his *Proposals and Reasons for constituting a Council of Trade*. This pamphlet did not excite much attention.

In a short time afterwards, he published a project for establishing what he called a Land-bank,\* the notes issued by which were never to exceed the value of the entire lands of the State, upon ordinary interest, or were to be equal in value to the land, with the right to enter into possession at a certain time. The project excited a good deal of discussion in the Scottish Parliament, and a motion for the establishment of such a bank was brought forward by a neutral party, called the Squadrone, whom Law had interested in his favor. The Parliament ultimately passed a resolution to the effect, that, to establish any kind of paper credit, so as to force it to pass, was an improper expedient for the nation.

Upon the failure of this project, and of his efforts to procure a pardon for the murder of Mr. Wilson, Law withdrew to the Continent, and resumed his old habits of gaming. For fourteen years he continued to roam about, in Flanders, Holland, Germany, Hungary, Italy, and France. He soon became intimately acquainted with the extent of the trade and resources of each, and daily more confirmed in his opinion that no country could prosper without a paper currency. During the whole of this time, he appears to have chiefly supported himself by successful play. At every gambling-house of note in the capitals of Europe, he was known and appreciated as one better skilled in the intricacies of chance than any other man of the day. It is stated in the *Biographie Universelle*, that he was expelled, first, from Venice, and afterwards from Genoa, by the magistrates, who thought him a visitor too dangerous for the youth of those cities. During his residence in Paris, he rendered himself obnoxious to D'Argenson, the lieutenant-general of the police, by whom he was ordered to quit the capital. This did not take place, however, before he had made the acquaintance, in the saloons, of the Duke de Vendôme, the Prince de Conti, and of the gay Duke of Orleans, the latter of whom was destined afterwards to exercise so much influence over his fate. The Duke of Orleans was pleased with the vivacity and good sense of the Scottish adventurer, while the latter was no less pleased with the wit and amability of a prince who promised to become his patron. They were often thrown into each other's society, and Law seized every opportunity to instil his financial doctrines into the mind of one whose proximity to the throne pointed him out as destined, at no very distant day, to play an important part in the government.

---

\* The wits of the day called it a *sand-bank*, which would wreck the vessel of the State.





THE REGENT OF FRANCE.

Shortly before the death of Louis XIV., or, as some say, in 1708, Law proposed a scheme of finance to Desmarets, the comptroller. Louis is reported to have inquired whether the projector was a Catholic, and on being answered in the negative, to have declined having any thing to do with him.\*

It was after this repulse that he visited Italy. His mind being still occupied with schemes of finance, he proposed to Victor Amadeus, Duke of Savoy, to establish his Land-bank in that country. The duke replied that his dominions were too circumscribed for the execution of so great a project, and that he was by far too poor a potentate to be ruined. He advised him, however, to try the king of France once more; for he was sure, if he knew any thing of the French character, that the people would be delighted with a plan, not only so new, but so plausible.

Louis XIV. died in 1715, and the heir to the throne being an infant only seven years of age, the Duke of Orleans assumed the reins of government, as regent, during his minority. Law now found himself in a more favorable position. The tide in his affairs had come, which, taken at the flood, was to waft him on to fortune. The regent was his friend, already acquainted with his theory and pretensions, and inclined, moreover, to aid him in any efforts to restore the wounded credit of France, bowed down to the earth by the extravagance of the long reign of Louis XIV.

Hardly was that monarch laid in his grave ere the popular hatred, suppressed so long, burst forth against his memory. He who, during his life, had been flattered with an excess of adulation, to which history scarcely offers a parallel, was now cursed as a tyrant, a bigot, and a plunderer. His statues were pelted and disfigured; his effigies torn down, amid the execrations of the populace, and his name rendered synonymous with selfishness and oppression. The glory of his arms was forgotten, and nothing was remembered but his reverses, his extravagance, and his cruelty.

The finances of the country were in a state of the utmost disorder. A profuse and corrupt monarch, whose profuseness and corruption were imitated by almost every functionary, from the highest to the lowest grade, had brought France to the verge of ruin. The national debt amounted to 3,000 millions of livres, the revenue to 145

\* This anecdote, which is related in the correspondence of Madame de Baviere, Duchess of Orleans and mother of the Regent, is discredited by Lord John Russell, in his *History of the principal States of Europe from the Peace of Utrecht*; for what reason he does not inform us. There is no doubt that Law proposed his scheme to Desmarets, and that Louis refused to hear of it. The reason given for the refusal is quite consistent with the character of that bigoted and tyrannical monarch.

millions, and the expenses of the government to 142 millions per annum; leaving only three millions to pay the interest upon 3,000 millions. The first care of the regent was to discover a remedy for an evil of such magnitude, and a council was early summoned to take the matter into consideration. The Duke de St. Simon was of opinion that nothing could save the country from revolution but a remedy at once bold and dangerous. He advised the regent to convoke the states-general, and declare a national bankruptcy. The Duke de Noailles, a man of accommodating principles, an accomplished courtier, and totally averse from giving himself any trouble or annoyance that ingenuity could escape from, opposed the project of St. Simon with all his influence. He represented the expedient as alike dishonest and ruinous. The regent was of the same opinion, and this desperate remedy fell to the ground.

The measures ultimately adopted, though they promised fair, only aggravated the evil. The first, and most dishonest measure, was of no advantage to the State. A re-coinage was ordered, by which the currency was depreciated one-fifth; those who took a thousand pieces of gold or silver to the mint received back an amount of coin of the same nominal value, but only four fifths of the weight of metal. By this contrivance the treasury gained seventy-two millions of livres, and all the commercial operations of the country were disordered. A trifling diminution of the taxes silenced the clamors of the people, and for the slight present advantage the great prospective evil was forgotten.

A Chamber of Justice was next instituted to inquire into the malversations of the loan contractors and the farmers of the revenues. Tax collectors are never very popular in any country, but those of France at this period deserved all the odium with which they were loaded. As soon as these farmers-general, with all their hosts of subordinate agents, called *maltotiers*,\* were called to account for their misdeeds, the most extravagant joy took possession of the nation. The Chamber of Justice, instituted chiefly for this purpose, was endowed with very extensive powers. It was composed of the presidents and councils of the parliament, the judges of the Courts of Aid and Requests, and the offices of the Chamber of Account, under the general presidency of the minister of finance. Informers were encouraged to give evidence against the offenders by the promise of one fifth part of the fines and confiscations. A tenth of all concealed effects belonging to the guilty was promised to such as should furnish the means of discovering them.

The promulgation of the edict constituting this court caused a degree of consternation among those principally concerned, which can only be accounted for on the supposition that their peculation had been enormous. But they met with no sympathy. The proceedings against them justified their terror. The Bastile was soon unable to

---

\* From *maltote*, an oppressive tax.

contain the prisoners that were sent to it, and the jails all over the country teemed with guilty or suspected persons. An order was issued to all inn-keepers and post masters to refuse horses to such as endeavored to seek safety in flight; and all persons were forbidden, under heavy fines, to harbor them or favor their evasion. Some were condemned to the pillory, others to the galleys, and the least guilty to fine and imprisonment. One only, Samuel Bernard, a rich banker and farmer-general of a province remote from the capital, was sentenced to death. So great had been the illegal profit of this man—looked upon as the tyrant and oppressor of his district—that he offered six millions of livres, or £250,000 sterling, to be allowed to escape.

His bribe was refused, and he suffered the penalty of death. Others, perhaps more guilty, were more fortunate. Confiscation, owing to the concealment of their treasures by the delinquents, often produced less money than a fine. The severity of the government relaxed, and fines, under the denomination of taxes, were indiscriminately levied upon all offenders; but so corrupt was every department of the administration, that the country benefited but little by the sums which thus flowed into the treasury. Courtiers and courtiers' wives and mistresses came in for the chief share of the spoils. One contractor had been taxed, in proportion to his wealth and guilt, at the sum of twelve millions of livres. The Count \* \*, a man of some weight in the government, called upon him, and offered to procure a remission of the fine if he would give him a hundred thousand crowns. "Vous êtes trop tard, mon ami," replied the financier; "I have already made a bargain with your wife for fifty thousand."\*

About one hundred and eighty millions of livres were levied in this manner, of which eighty were applied in payment of the debts contracted by the government. The remainder found its way into the pockets of the courtiers. Madame de Maintenon, writing on this subject, says: "We hear every day of some new grant of the regent. The people murmur very much at this mode of employing the money taken from the speculators." The people, who, after the first burst of their resentment is over, generally express a sympathy for the weak, were indignant that so much severity should be used to so little purpose. They did not see the justice of robbing one set of rogues to fatten another. In a few months all the more guilty had been brought to punishment, and the Chamber of Justice looked for victims in humbler walks of life. Charges of fraud and extortion were brought against tradesmen of good character, in consequence of the great inducements held out to common informers. They

---

\* This anecdote is related by M. de la Hode, in his *Life of Philippe of Orleans*. It would have looked more authentic if he had given the names of the dishonest contractor and still more dishonest minister. But M. de la Hode's book is liable to the same objection as most of the French memoirs of that and of subsequent periods. It is sufficient, with most of them, that an anecdote be *ben trovato*; the *vero* is but matter of secondary consideration.

were compelled to lay open their affairs before this tribunal in order to establish their innocence. The voice of complaint resounded from every side; and at the expiration of a year, the government found it advisable to discontinue further proceedings. The Chamber of Justice was suppressed, and a general amnesty granted to all against whom no charges had yet been preferred.

In the midst of this financial confusion, Law appeared upon the scene. No man felt more deeply than the regent the deplorable state of the country, but no man could be more averse from putting his shoulders manfully to the wheel. He disliked business; he signed official documents without proper examination, and trusted to others what he should have undertaken himself. The cares inseparable from his high office were burdensome to him. He saw that something was necessary to be done; but he lacked the energy to do it, and had not virtue enough to sacrifice his ease and his pleasure in the attempt. No wonder that, with his character, he listened favorably to the mighty projects, so easy of execution, of the clever adventurer whom he had formerly known, and whose talents he appreciated.

When Law presented himself at court he was most cordially received. He offered two memorials to the regent, in which he set forth the evils that had befallen France, owing to an insufficient currency at different times depreciated. He asserted that a metallic currency, unaided by a paper money, was wholly inadequate to the wants of a commercial country, and particularly cited the examples of Great Britain and Holland to show the advantages of paper. He used many sound arguments on the subject of credit, and proposed as a means of restoring that of France, then at so low an ebb among the nations, that he should be allowed to set up a bank, which should have the management of the royal revenues, and issue notes both on that and on landed security. He further proposed that this bank should be administered in the king's name, but subject to the control of commissioners to be named by the States-General.

While these memorials were under consideration, Law translated into French his essay on money and trade, and used every means to extend through the nation his renown as a financier. He soon became talked of. The confidants of the regent spread abroad his praise, and every one expected great things of Monsieur Lass.\*

On the 5th of May, 1716, a royal edict was published, by which Law was authorized, in conjunction with his brother, to establish a bank under the name of Law and Company, the notes of which should be received in payment of the taxes. The capital was fixed at six millions of livres, in twelve thousand shares of five hundred livres each, purchasable one fourth in specie, and the remainder in *billets d'état*. It was not thought expedient to grant him the whole

---

\* The French pronounced his name in this manner, to avoid the ungallie sound, *aw*. After the failure of his scheme, the wags said the nation was *lassé de lui*, and proposed that he should in future be known by the name of Monsieur *Helas*!

of the privileges prayed for in his memorials until experience should have shown their safety and advantages.

Law was now on the high road to fortune. The study of thirty years was brought to guide him in the management of his bank. He made all his notes payable at sight, and in the coin current at the time they were issued. This last was a master-stroke of policy, and immediately rendered his notes more valuable than the precious metals. The latter were constantly liable to depreciation by the unwise tampering of the government. A thousand livres of silver might be worth their nominal value one day, and be reduced one sixth the next, but a note of Law's bank retained its original value. He publicly declared at the same time, that a banker deserved death if he made issues without having sufficient security to answer all demands. The consequence was, that his notes advanced rapidly in public estimation, and were received at one per cent. more than specie. It was not long before the trade of the country felt the benefit. Languishing commerce began to lift up her head; the taxes were paid with greater regularity and less murmuring; and a degree of confidence was established that could not fail, if it be continued, to become still more advantageous. In the course of a year, Law's notes rose to fifteen per cent. premium, while the *billets d'état*, or notes issued by the government as security for the debts contracted by the extravagant Louis XIV., were at a discount of no less than seventy-eight and a half per cent. The comparison was too great in favor of Law not to attract the attention of the whole kingdom, and his credit extended itself day by day. Branches of his bank were almost simultaneously established at Lyons, Rochelle, Tours, Amiens and Orleans.

The regent appears to have been utterly astonished at his success, and gradually to have conceived the idea that paper, which could so aid a metallic currency, could entirely supersede it. Upon this fundamental error he afterwards acted. In the mean time, Law commenced the famous project which has handed his name down to posterity. He proposed to the regent (who could refuse him nothing) to establish a company that should have the exclusive privilege of trading to the great river Mississippi and the province of Louisiana, on its western bank. The country was supposed to abound in the precious metals; and the company, supported by the profits of their exclusive commerce, were to be the sole farmers of the taxes and sole coiners of money. Letters patent were issued, incorporating the company, in August, 1717. The capital was divided into two hundred thousand shares of five hundred livres each, the whole of which might be paid in *billets d'état*, at their nominal value, although worth no more than a hundred and sixty livres in the market.

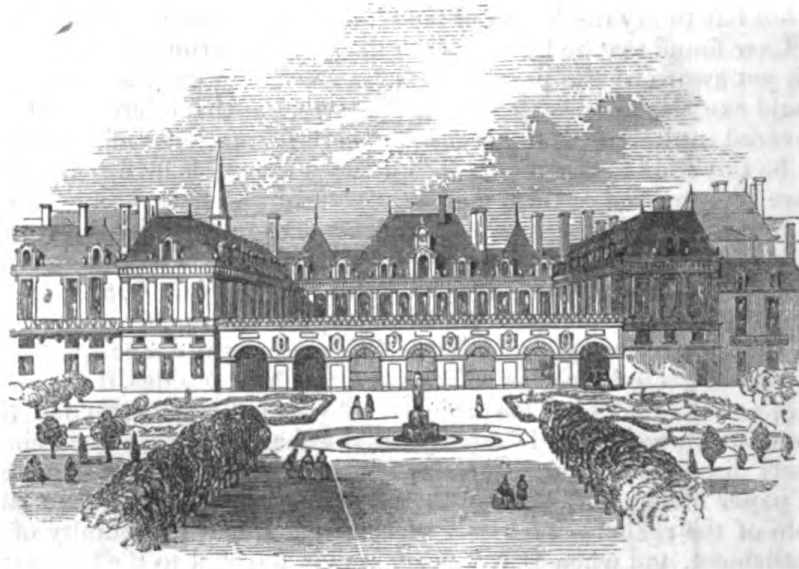
It was now that the frenzy of speculating began to seize upon the nation. Law's bank had effected so much good, that any promises for the future which he thought proper to make were readily believed. The regent every day conferred new privileges upon the fortunate projector. The bank obtained the monopoly of the sale of tobacco, the sole right of refining of gold and silver, and was finally erected

into the Royal Bank of France. Amid the intoxication of success, both Law and the regent forgot the maxim so loudly proclaimed by the former, that a banker deserved death who made issues of paper without the necessary funds to provide for them. As soon as the bank, from a private, became a public institution, the regent caused a fabrication of notes to the amount of one thousand millions of livres. This was the first departure from sound principles, and one for which Law is not justly blamable. While the affairs of the bank were under his control, the issues had never exceeded sixty millions. Whether Law opposed the inordinate increase is not known; but as it took place as soon as the bank was made a royal establishment, it is but fair to lay the blame of the change of system upon the regent.

Law found that he lived under a despotic government; but he was not yet aware of the pernicious influence which such a government could exercise upon so delicate a framework as that of credit. He discovered it afterwards to his cost, but in the meantime suffered himself to be impelled by the regent into courses which his own reason must have disapproved. With a weakness most culpable, he lent his aid in inundating the country with paper money, which, based upon no solid foundation, was sure to fall, sooner or later. The extraordinary present fortune dazzled his eyes, and prevented him from seeing the evil day that would burst over his head, when once, from any cause or other, the alarm was sounded. The parliament were from the first jealous of his influence as a foreigner, and had, besides, their misgivings as to the safety of his projects. As his influence extended, their animosity increased. D'Aguesseau, the chancellor, was unceremoniously dismissed by the regent for his opposition to the vast increase of paper money, and the constant depreciation of the gold and silver coin of the realm. This only served to augment the enmity of the parliament, and when D'Argenson, a man devoted to the interests of the regent, was appointed to the vacant chancellorship, and made at the same time minister of finance, they became more violent than ever. The first measure of the new minister caused a further depreciation of the coin. In order to extinguish the *billets d'état*, it was ordered that persons bringing to the mint four thousand livres in specie and one thousand livres in *billets d'état*, should receive back coin to the amount of five thousand livres. D'Argenson plumed himself mightily upon thus creating five thousand new and smaller livres out of the four thousand old and larger ones, being too ignorant of the true principles of trade and credit to be aware of the immense injury he was inflicting upon both.

The parliament saw at once the impolicy and danger of such a system, and made repeated remonstrances to the regent. The latter refused to entertain their petitions, when the parliament, by a bold and very unusual stretch of authority, commanded that no money should be received in payment but that of the old standard. The regent summoned a *lit de justice*, and annulled the decree. The parliament resisted, and issued another. Again the regent exercised his privilege, and annulled it, till the parliament, stung to fiercer opposi-

tion, passed another decree, dated August 12th, 1718, by which they forbade the bank of Law to have any concern, either direct or indirect, in the administration of the revenue; and prohibited all foreigners, under heavy penalties, from interfering, either in their own names, or in that of others, in the management of the finances of the State. The parliament considered Law to be the author of all the evil, and some of the councillors, in the virulence of their enmity, proposed that he should be brought to trial, and, if found guilty, be hung at the gates of the Palais de Justice.



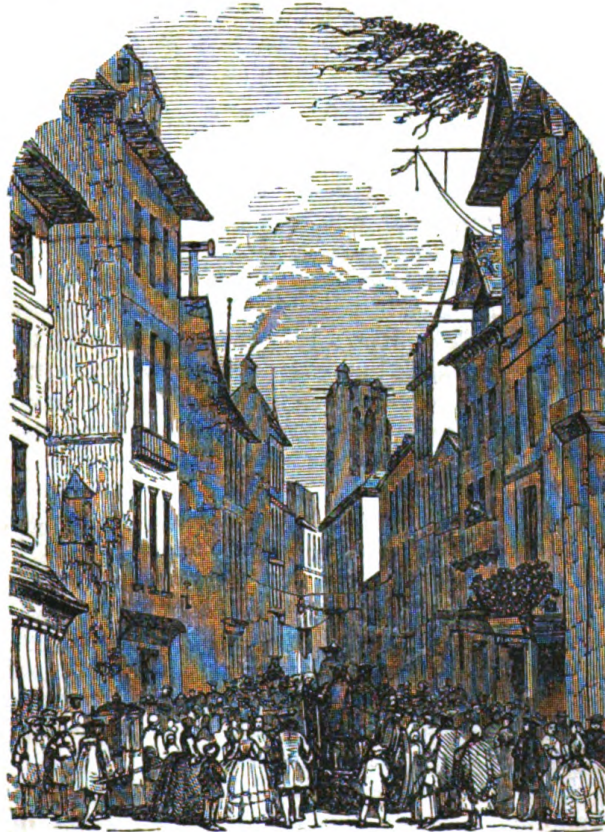
PALAIS ROYAL FROM THE GARDEN.

Law, in great alarm, fled to the Palais Royal, and threw himself on the protection of the regent, praying that measures might be taken to reduce the parliament to obedience. The regent had nothing so much at heart, both on that account and because of the disputes that had arisen relative to the legitimization of the Duke of Maine and the Count of Thoulouse, the sons of the late king. The parliament was ultimately overawed by the arrest of their president and two of the councillors, who were sent to distant prisons.

Thus the first cloud upon Law's prospects blew over: freed from apprehensions of personal danger, he devoted his attention to his famous Mississippi project, the shares of which were rapidly rising, in spite of the parliament. At the commencement of the year 1719, an edict was published, granting to the Mississippi Company the exclusive privilege of trading to the East Indies, China, and the South Seas, and to all the possessions of the French East India Company, established by Colbert. The Company, in consequence of this great increase of their business, assumed, as more appropriate, the title of



Company of the Indies, and created fifty thousand new shares. The prospects now held out by Law were most magnificent. He promised a yearly dividend of two hundred livres upon each share of five hundred, which, as the shares were paid for in *billets d'état*, at their nominal value, but worth only 100 livres, was at the rate of about 120 per cent. profit.



LAW'S HOUSE; RUE DE QUINCAMPOIX.

The public enthusiasm, which had been so long rising, could not resist a vision so splendid. At least three hundred thousand applications were made for the fifty thousand new shares, and Law's house, in the Rue de Quincampoix, was beset from morning to night by the eager applicants. As it was impossible to satisfy them all, it was several weeks before a list of the fortunate new stockholders could be made out, during which time the public impatience rose to a pitch of frenzy. Dukes, marquises, counts, with their duchesses, marchionesses, and countesses, waited in the street for hours every day, before Mr. Law's door, to know the result. At last, to avoid the jostling of the plebeian crowd, which, to the number of thousands, filled the whole thoroughfare, they took apartments in the ad-



joining houses, that they might be continually near the temple whence the new Plutus was diffusing wealth. Every day the value of the old shares increased, and the fresh applications, induced by the golden dreams of the whole nation, became so numerous, that it was deemed advisable to create no less than three hundred thousand new shares, at five thousand livres each, in order that the regent might take advantage of the popular enthusiasm to pay off the national debt. For this purpose, the sum of fifteen hundred millions of livres was necessary. Such was the eagerness of the nation, that thrice the sum would have been subscribed, if the government had authorized it.

Law was now at the zenith of his prosperity, and the people were rapidly approaching the zenith of their infatuation. The highest and lowest classes were alike filled with a vision of boundless wealth. There was not a person of note among the aristocracy, with the exception of the Duke of St. Simon and Marshal Villars, who was not engaged in buying or selling stock. People of every age and sex and condition in life, speculated in the rise and fall of the Mississippi bonds. The Rue de Quincampoix was the grand resort of the jobbers, and it being a narrow and inconvenient street, accidents continually occurred in it, from the tremendous pressure of the crowd. Houses in it, worth, in ordinary times, a thousand livres of yearly rent, yielded as much as twelve or sixteen thousand. A cobbler, who had a stall in it, gained about two hundred livres a day by letting it out, and furnishing writing materials to brokers and their clients. The story goes, that a hunchbacked man, who stood in the street, gained considerable sums by lending his hump as a writing-desk to the eager speculators! The great concourse of persons who assembled to do business, brought a still greater concourse of spectators. These again, drew all the thieves and immoral characters of Paris to the spot, and constant riots and disturbances took place. At nightfall, it was often found necessary to send a troop of soldiers to clear the street.

Law, finding the inconvenience of his residence, removed to the Place Vendôme, whither the crowd of *agioteurs* followed him. That spacious square soon became as thronged as the Rue de Quincampoix; from morning to night it presented the appearance of a fair. Booths and tents were erected for the transaction of business, and the sale of refreshments, and gamblers, with their roulette tables, stationed themselves in the very middle of the place, and reaped a golden, or rather a paper harvest from the throng. The boulevards and public gardens were forsaken; parties of pleasure took their walks, in preference, in the Place Vendôme, which became the fashionable lounge of the idle, as well as the general rendezvous of the busy. The noise was so great all day, that the chancellor, whose court was situated in the square, complained to the regent and the municipality, that he could not hear the advocates. Law, when applied to, expressed his willingness to aid in the removal of the nuisance, and for this purpose, entered into a treaty with

the Prince de Carignan for the Hôtel de Soissons, which had a garden of several acres in the rear. A bargain was concluded, by which Law became the purchaser of the hotel at an enormous price, the prince reserving to himself the magnificent gardens, as a new source of profit. They contained some fine statues and several fountains, and were altogether laid out with much taste. As soon as Law was installed in his new abode, an edict was published, forbidding all persons to buy or sell stock any where but in the gardens of the Hôtel de Soissons. In the midst, among the trees, about five hundred small tents and pavilions were erected, for the convenience of the stock-jobbers. Their various colors, the gay ribands and banners which floated from them, the busy crowds which passed continually in and out, the incessant hum of voices, the noise, the music, and the strange mixture of business and pleasure on the countenances of the throng, all combined to give the place an air of enchantment that quite enraptured the Parisians. The Prince de Carignan made enormous profits while the delusion lasted. Each tent was let at the rate of five hundred livres a month; and, as there were at least five hundred of them, his monthly revenue, from this source alone, must have amounted to 250,000 livres, or upwards of £10,000 sterling.

The honest old soldier, Marshal Villars, was so vexed to see the folly which had smitten his countrymen, that he could never speak with temper on the subject. Passing one day through the Place Vendome in his carriage, the choleric gentleman was so annoyed at the infatuation of the people, that he abruptly ordered his coachman to stop, and, putting his head out of the carriage window, harangued them for full half an hour on their "disgusting avarice." This was not a very wise proceeding on his part. Hisses and shouts of laughter resounded from every side, and jokes without number were aimed at him. There being at last strong symptoms that something more tangible was flying through the air in the direction of his head, the Marshal was glad to drive on. He never again repeated the experiment.

Two sober, quiet and philosophic men of letters, M. de la Motte and the Abbé Terrason, congratulated each other, that they, at least, were free from this strange infatuation. A few days afterwards, as the worthy abbé was coming out of the Hôtel de Soissons, whither he had gone to buy shares in the Mississippi, whom should he see but his friend La Motte entering for the same purpose. "Ha!" said the abbé, smiling, "is that *you*?" "Yes," said La Motte, pushing past him as fast as he was able; "and can that be *you*?" The next time the two scholars met, they talked of philosophy, of science, and of religion, but neither had courage for a long time to breathe one syllable about the Mississippi. At last, when it was mentioned, they agreed that a man ought never to swear against his doing any one thing, and that there was no sort of extravagance of which even a wise man was not capable.

During this time, Law, the new Plutus, had become all at once

the most important personage of the State. The ante-chambers of the regent were forsaken by the courtiers. Peers, judges and bishops thronged to the Hôtel de Soissons; officers of the army and navy, ladies of title and fashion, and every one to whom hereditary rank or public employ gave a claim to precedence, were to be found waiting in his ante-chambers to beg for a portion of his India stock. Law was so pestered that he was unable to see one tenth part of the applicants, and every manœuvre that ingenuity could suggest was employed to gain access to him. Peers, whose dignity would have been outraged if the regent had made them wait half an hour for an interview, were content to wait six hours for the chance of seeing Monsieur Law. Enormous fees were paid to his servants, if they would merely announce their names. Ladies of rank employed the blandishments of their smiles for the same object; but many of them came day after day for a fortnight before they could obtain an audience. When Law accepted an invitation, he was sometimes so surrounded by ladies, all asking to have their names put down in his lists as shareholders in the new stock, that, in spite of his well-known and habitual gallantry, he was obliged to tear himself away *per force*. The most ludicrous stratagems were employed to have an opportunity of speaking to him. One lady, who had striven in vain during several days, gave up in despair all attempts to see him at his own house, but ordered her coachman to keep a strict watch whenever she was out in her carriage, and if he saw Mr. Law coming, to drive against a post and upset her. The coachman promised obedience, and for three days the lady was driven incessantly through the town, praying inwardly for the opportunity to be overturned. At last she espied Mr. Law, and, pulling the string, called out to the coachman, "Upset us now! for God's sake, upset us now!" The coachman drove against a post, the lady screamed, the coach was overturned, and Law, who had seen the *accident*, hastened to the spot to render assistance. The cunning dame was led into the Hôtel de Soissons, where she soon thought it advisable to recover from her fright, and, after apologizing to Mr. Law, confessed her stratagem. Law smiled, and entered the lady in his books as the purchaser of a quantity of India stock. Another story is told of a Madame de Boucha, who, knowing that Mr. Law was at dinner at a certain house, proceeded thither in her carriage, and gave the alarm of fire. The company started from table, and Law among the rest; but, seeing one lady making all haste into the house towards him, while every body else was scampering away, he suspected the trick, and ran off in another direction.

Many other anecdotes are related, which, even though they may be a little exaggerated, are nevertheless worth preserving, as showing the spirit of that singular period.\* The regent was one day

\* The curious reader may find an anecdote of the eagerness of the French ladies to retain Law in their company, which will make him blush or smile according as he happens to be very modest or the reverse. It is related in the *Letters of Madame Charlotte Elisabeth de Bavière, Duchess of Orleans*, vol. II. p. 374.

mentioning, in the presence of D'Argenson, the Abbé Dubois, and some other persons, that he was desirous of deputing some lady, of the rank at least of a duchess, to attend upon his daughter at Modena; "but," added he, "I do not exactly know where to find one." "No!" replied one, in affected surprise; "I can tell you where to find every duchess in France: you have only to go to Mr. Law's; you will see them every one in his ante-chamber."

M. de Chirac, a celebrated physician, had bought stock at an unlucky period, and was very anxious to sell out. Stock, however, continued to fall for two or three days, much to his alarm. His mind was filled with the subject, when he was suddenly called upon to attend a lady who imagined herself unwell. He arrived, was shown up stairs, and felt the lady's pulse. "It falls! it falls! good God! it falls continually!" said he musingly, while the lady looked up in his face all anxiety for his opinion. "Oh, M. de Chirac," said she, starting to her feet and ringing the bell for assistance, "I am dying! I am dying! it falls! it falls! it falls!" "What falls?" inquired the doctor in amazement. "My pulse! my pulse!" said the lady; "I must be dying." "Calm your apprehensions, my dear madam," said M. de Chirac, "I was speaking of the stocks. The truth is, I have been a great loser, and my mind is so disturbed, I hardly know what I have been saying."

The price of shares sometimes rose ten or twenty per cent. in the course of a few hours, and many persons in the humbler walks of life, who had risen poor in the morning, went to bed in affluence. An extensive holder of stock, being taken ill, sent his servant to sell two hundred and fifty shares, at eight thousand livres each, the price at which they were then quoted. The servant went, and, on his arrival in the Jardin de Soissons, found that in the interval the price had risen to ten thousand livres. The difference of two thousand livres on the two hundred and fifty shares, amounting to 500,000 livres, or £20,000 sterling, he very coolly transferred to his own use, and giving the remainder to his master, set out the same evening for another country. Law's coachman in a very short time made money enough to set up a carriage of his own, and requested permission to leave his service. Law, who esteemed the man, begged of him as a favor, that he would endeavor, before he went, to find a substitute as good as himself. The coachman consented, and in the evening brought two of his former comrades, telling Mr. Law to choose between them, and he would take the other. Cookmaids and footmen were now and then as lucky, and, in the full-blown pride of their easily acquired wealth, made the most ridiculous mistakes. Preserving the language and manners of their old, with the finery of their new station, they afforded continual subjects for the pity of the sensible, the contempt of the sober, and the laughter of every body. But the folly and meanness of the higher ranks of society were still more disgusting. One instance alone, related by the Duke de St. Simon, will show the unworthy avarice which infected the whole of society. A man of the name of André, without character or educa-

tion, had, by a series of well-timed speculations in Mississippi bonds, gained enormous wealth in an incredibly short space of time. As St. Simon expresses it, "he had amassed mountains of gold." As he became rich, he grew ashamed of the lowness of his birth, and anxious above all things to be allied to nobility. He had a daughter, an infant only three years of age, and he opened a negotiation with the aristocratic and needy family of D'Oyse, that this child should, upon certain conditions, marry a member of that house. The Marquis D'Oyse, to his shame, consented, and promised to marry her himself on her attaining the age of twelve, if the father would pay him down the sum of a hundred thousand crowns, and twenty thousand livres every year until the celebration of the marriage. The marquis was himself in his thirty-third year. This scandalous bargain was duly signed and sealed, the stock-jobber furthermore agreeing to settle upon his daughter, on the marriage-day, a fortune of several millions. The Duke of Brancas, the head of the family, was present throughout the negotiation, and shared in all the profits. St. Simon, who treats the matter with the levity becoming what he thought so good a joke, adds, "that people did not spare their animadversions on this beautiful marriage," and further informs us, "that the project fell to the ground some months afterwards by the overthrow of Law, and the ruin of the ambitious Monsieur André." It would appear, however, that the noble family never had the honesty to return the hundred thousand crowns.

Amid events like these, which, humiliating though they be, partake largely of the ludicrous, others occurred of a more serious nature. Robberies in the streets were of daily occurrence, in consequence of the immense sums, in paper, which people carried about with them. Assassinations were also frequent. One case in particular fixed the attention of the whole of France, not only on account of the enormity of the offence, but of the rank and high connections of the criminal.

The Count d'Horn, a younger brother of the Prince d'Horn, and related to the noble families of D'Aremberg, De Ligne, and De Montmorency, was a young man of dissipated character, extravagant to a degree, and unprincipled as he was extravagant. In connection with two other young men as reckless as himself, named Mille, a Piedmontese captain, and one Destampes, or Lestang, a Fleming, he formed a design to rob a very rich broker, who was known, unfortunately for himself, to carry great sums about his person. The count pretended a desire to purchase of him a number of shares in the Company of the Indies, and for that purpose appointed to meet him in a *cabaret*, or low public-house, in the neighborhood of the Place Vendôme. The unsuspecting broker was punctual to his appointment; so were the Count d'Horn and his two associates, whom he introduced as his particular friends. After a few moments' conversation, the Count d'Horn suddenly sprang upon his victim, and stabbed him three times in the breast with a poniard. The man fell heavily to the ground, and, while the count was employed in rifling

his portfolio of bonds in the Mississippi and India schemes to the amount of one hundred thousand crowns, Mille, the Piedmontese, stabbed the unfortunate broker again and again, to make sure of his death. But the broker did not fall without a struggle, and his cries



brought the people of the *cabaret* to his assistance. Lestang, the other assassin, who had been set to keep watch at a staircase, sprang from a window and escaped; but Mille and the Count d'Horn were seized in the very act.

This crime, committed in open day, and in so public a place as a *cabaret*, filled Paris with consternation. The trial of the assassins commenced on the following day; and the evidence being so clear, they were both found guilty, and condemned to be broken alive on the wheel. The noble relatives of the Count d'Horn absolutely blocked up the ante-chambers of the regent, praying for mercy on the misguided youth, and alleging that he was insane. The regent avoided them as long as possible, being determined that, in a case so atrocious, justice should take its course. But the importunity of these influential suitors was not to be overcome so silently; and they



at last forced themselves into the presence of the regent, and prayed him to save their house the shame of a public execution. They hinted that the Princes d'Horn were allied to the illustrious family of Orleans; and added, that the regent himself would be disgraced if a kinsman of his should die by the hands of a common executioner. The regent, to his credit, was proof against all their solicitations, and replied to their last argument in the words of Corneille :

" Le crime fait la honte, et non pas l'échafaud : "

adding that whatever shame there might be in the punishment, he would very willingly share with the other relatives. Day after day they renewed their entreaties, but always with the same result. At last they thought that if they could interest the Duke de St. Simon in their favor—a man for whom the regent felt sincere esteem—they might succeed in their object. The duke, a thorough aristocrat, was as shocked as they were that a noble assassin should die by the same death as a plebeian felon, and represented to the regent the impolicy of making enemies of so numerous, wealthy and powerful a family. He urged, too, that in Germany, where the family of D'Aremberg had large possessions, it was the law, that no relative of a person broken on the wheel could succeed to any public office or employ until a whole generation had passed away. For this reason, he thought the punishment of the guilty count might be transmuted into beheading, which was considered all over Europe as much less infamous. The regent was moved by this argument, and was about to consent, when Law, who felt peculiarly interested in the fate of the murdered man, confirmed him in his former resolution to let the law take its course.

The relatives of D'Horn were now reduced to the last extremity. The Prince de Robec Montmorency, despairing of other methods, found means to penetrate into the dungeon of the criminal, and offering him a cup of poison, implored him to save them from disgrace. The Count D'Horn turned away his head, and refused to take it. Montmorency pressed him once more; and losing all patience at his continued refusal, turned on his heel, and exclaiming, "Die, then, as thou wilt, mean-spirited wretch! thou art fit only to perish by the hands of the hangman!" left him to his fate.

D'Horn himself petitioned the regent that he might be beheaded; but Law, who exercised more influence over his mind than any other person, with the exception of the notorious Abbé Dubois, his tutor, insisted that he could not in justice succumb to the self-interested views of the D'Horns. The regent had from the first been of the same opinion; and within six days after the commission of their crime, D'Horn and Mille were broken on the wheel in the Place de Grève. The other assassin, Lestang, was never apprehended.

This prompt and severe justice was highly pleasing to the populace of Paris. Even M. de Quincampoix, as they called Law, came in for a share of their approbation for having induced the regent to show no favor to a patrician. But the number of robberies and as-

sasinations did not diminish; no sympathy was shown for rich jobbers when they were plundered. The general laxity of public morals, conspicuous enough before, was rendered still more so by its rapid pervasion of the middle classes, who had hitherto remained comparatively pure between the open vices of the class above and the hidden crimes of the class below them. The pernicious love of gambling diffused itself through society, and bore all public and nearly all private virtue before it.

For a time, while confidence lasted, an impetus was given to trade which could not fail to be beneficial. In Paris, especially, the good results were felt. Strangers flocked into the capital from every part, bent not only upon making money, but on spending it. The Duchess of Orleans, mother of the regent, computes the increase of the population during this time, from the great influx of strangers from all parts of the world, at 305,000 souls. The housekeepers were obliged to make up beds in garrets, kitchens, and even stables, for the accommodation of lodgers; and the town was so full of carriages and vehicles of every description, that they were obliged, in the principal streets, to drive at a foot-pace for fear of accidents. The looms of the country worked with unusual activity to supply rich laces, silks, broadcloth, and velvets, which being paid for in abundant paper, increased in price four-fold. Provisions shared the general advance. Bread, meat and vegetables were sold at prices greater than had ever before been known; while the wages of labor rose in exactly the same proportion. The artisan who formerly gained fifteen sous per diem, now gained sixty. New houses were built in every direction; an illusory prosperity shone over the land, and so dazzled the eyes of the whole nation, that none could see the dark cloud on the horizon announcing the storm that was too rapidly approaching.

Law, himself, the magician whose wand had wrought so surprising a change, shared, of course, in the general prosperity. His wife and daughter were courted by the highest nobility, and their alliance sought by the heirs of ducal and princely houses. He bought two splendid estates in different parts of France, and entered into a negotiation with the family of the Duke de Sully for the purchase of the marquisate of Rosny. His religion being an obstacle to his advancement, the regent promised, if he would publicly conform to the Catholic faith, to make him comptroller-general of the finances. Law, who had no more real religion than any other professed gambler, readily agreed, and was confirmed by the Abbé de Tencin in the cathedral of Melun, in presence of a great crowd of spectators.\* On the following day he was elected honorary churchwarden

---

\* The following squib was circulated on the occasion:

*"Foin de ton zèle séraphique,  
Malheureux Abbé de Tencin,  
Depuis que Law est Catholique,  
Tout le royaume est Capucin!"*



of the parish of St. Roche, upon which occasion he made it a present of the sum of five hundred thousand livres. His charities, always magnificent, were not always so ostentatious. He gave away great sums privately, and no tale of real distress ever reached his ears in vain.

At this time he was by far the most influential person of the state. The Duke of Orleans had so much confidence in his sagacity and the success of his plans, that he always consulted him upon every matter of moment. He was by no means unduly elevated by his prosperity, but remained the same simple, affable, sensible man that he had shown himself in adversity. His gallantry, which was always delightful to the fair object of it, was of a nature so kind, so gentlemanly, and so respectful, that not even a lover could have taken offence at it. If upon any occasion he showed any symptoms of haughtiness, it was to the cringing nobles who lavished their adulation upon him till it became fulsome. He often took pleasure in



LAW AS ATLAS.\*

seeing how long he could make them dance attendance upon him for a single favor. To such of his own countrymen as by chance visited Paris, and sought an interview with him, he was, on the contrary, all politeness and attention. When Archibald Campbell, Earl of Islay, and afterwards Duke of Argyle, called upon him in the

Thus somewhat weakly and paraphrastically rendered by Justandson, in his translation of the *Memoirs of Louis XV.*:

"Tencin, a curse on thy seraphic zeal,  
Which by persuasion hath contrived the means  
To make the Scotchman at our altars kneel,  
Since which we all are poor as Capucines!"

\* From a print in a Dutch collection of satirical prints relating to the Mississippi Mania, entitled "Het groote Tafereel der Dwaasheid;" or, The great picture of Folly. The print of Atlas is styled, "L'Atlas actif de Papier." Law is calling in Hercules to aid him in supporting the globe. Quoted in Wright's *England under the House of Hanover*.

Place Vendôme, he had to pass through an ante-chamber crowded with persons of the first distinction, all anxious to see the great financier, and have their names put down as first on the list of some new subscription. Law, himself, was quietly sitting in his library, writing a letter to the gardener at his paternal estate of Lauriston about the planting of some cabbages! The earl stayed for a considerable time, played a game of piquet with his countryman, and left him, charmed with his ease, good sense and good breeding.

Among the nobles who, by means of the public credulity at this time, gained sums sufficient to repair their ruined fortunes, may be mentioned the names of the Dukes de Bourbon, de Guiche, de la Force,\* de Chaulnes, and d'Antin; the Marechal d'Estrées; the Princes de Rohan, de Poix, and de Léon. The Duke de Bourbon, son of Louis XIV. by Madame de Montespan, was peculiarly fortunate in his speculations in Mississippi paper. He rebuilt the royal residence of Chantilly in a style of unwonted magnificence; and being passionately fond of horses, he erected a range of stables, which were long renowned throughout Europe, and imported a hundred and fifty of the finest racers from England to improve the breed of France. He bought a large extent of country in Picardy, and became possessed of nearly all the valuable lands lying between the Oise and the Somme.

When fortunes such as these were gained, it is no wonder that Law should have been almost worshipped by the mercurial population. Never was monarch more flattered than he was. All the small poets and *littérateurs* of the day poured floods of adulation upon him. According to them, he was the saviour of the country, the tutelary divinity of France; wit was in all his words, goodness in all his looks, and wisdom in all his actions. So great a crowd followed his carriage whenever he went abroad, that the regent sent him a troop of horse as his permanent escort to clear the streets before him.

It was remarked at this time that Paris had never before been so full of objects of elegance and luxury. Statues, pictures and tapestries were imported in great quantities from foreign countries, and found a ready market. All those pretty trifles in the way of furniture and ornament which the French excel in manufacturing, were no longer the exclusive playthings of the aristocracy, but were to be found in abundance in the houses of traders and the middle classes in general. Jewelry of the most costly description was brought to Paris as the most favorable mart; among the rest, the famous diamond bought by the regent, and called by his name, and which long adorned the crown of France. It was purchased for the sum of two millions of livres, under circumstances which show that the regent

\* The Duke de la Force gained considerable sums, not only by jobbing in the stocks, but in dealing in porcelain, spices, &c. It was debated for a length of time in the Parliament of Paris whether he had not, in his quality of spice-merchant, forfeited his rank in the peerage. It was decided in the negative. A caricature of him was made, dressed as a street-porter, carrying a large bale of spices on his back, with the inscription, "Admirez La Force."

was not so great a gainer as some of his subjects by the impetus which trade had received. When the diamond was first offered to him, he refused to buy it, although he desired above all things to possess it, alleging, as his reason, that his duty to the country he governed would not allow him to spend so large a sum of the public money for a mere jewel. This valid and honorable excuse threw all the ladies of the court into alarm, and nothing was heard for some days but expressions of regret that so rare a gem should be allowed to go out of France, no private individual being rich enough to buy it. The regent was continually importuned about it, but all in vain, until the Duke de St. Simon, who with all his ability was something of a twaddler, undertook the weighty business. His entreaties being seconded by Law, the good-natured regent gave his consent, leaving to Law's ingenuity to find the means to pay for it. The owner took security for the payment of the sum of two millions of livres within a stated period, receiving in the mean time the interest of five per cent. upon that amount, and being allowed, besides, all the valuable clippings of the gem. St. Simon, in his *Memoirs*, relates with no little complacency his share in the transaction. After describing the diamond to be as large as a green gage, of a form nearly round, perfectly white, and without flaw, and weighing more than five hundred grains, he concludes with a chuckle, by telling the world "that he takes great credit to himself for having induced the regent to make so illustrious a purchase." In other words, he was proud that he had induced him to sacrifice his duty, and buy a bauble for himself at an extravagant price out of the public money.

Thus the system continued to flourish till the commencement of the year 1720. The warnings of the parliament, that too great a creation of paper money would, sooner or later, bring the country to bankruptcy, were disregarded. The regent, who knew nothing whatever of the philosophy of finance, thought that a system which had produced such good effects, could never be carried to excess. If five hundred millions of paper had been of such advantage, five hundred millions additional would be of still greater advantage. This was the grand error of the regent, and which Law did not attempt to dispel. The extraordinary avidity of the people kept up the delusion; and the higher the price of Indian and Mississippi stock, the more *billets de banque* were issued to keep pace with it. The edifice thus reared might not unaptly be compared to the gorgeous palace erected by Potemkin, that princely barbarian of Russia, to surprise and please his imperial mistress; huge blocks of ice were piled one upon another; ionic pillars, of chastest workmanship, in ice, formed a noble portico; and a dome, of the same material, shone in the sun, which had just strength enough to gild, but not to melt it. It glittered afar, like a palace of crystals and diamonds; but there came one warm breeze from the south, and the stately building dissolved away, till none were able even to gather up the fragments. So with Law and his paper system. No

sooner did the breath of popular mistrust blow steadily upon it, than it fell to ruins, and none could raise it up again.

The first slight alarm that was occasioned, was early in 1720. The Prince de Conti, offended that Law should have denied him fresh shares in India stock, at his own price, sent to his bank to demand payment in specie for so enormous a quantity of notes, that three wagons were required for its transport. Law complained to the regent, and urged on his attention the mischief that would be done, if such an example found many imitators. The regent was but too well aware of it, and, sending for the Prince de Conti, ordered him, under penalty of his high displeasure, to refund to the bank two thirds of the specie which he had withdrawn from it. The prince was forced to obey the despotic mandate. Happily for Law's credit, De Conti was an unpopular man : every body condemned his meanness and cupidity, and agreed that Law had been hardly treated. It is strange, however, that so narrow an escape should not have made both Law and the regent more anxious to restrict their issues. Others were soon found who imitated, from motives of distrust, the example which had been set by de Conti in revenge. The more acute stockjobbers imagined justly that prices could not continue to rise for ever. Bourdon and La Richardière, renowned for their extensive operations in the funds, quietly and in small quantities at a time, converted their notes into specie, and sent it away to foreign countries. They also bought as much as they could conveniently carry, of plate and expensive jewelry, and sent it secretly away to England or to Holland. Vermalet, a jobber, who sniffed the coming storm, procured gold and silver coin to the amount of nearly a million livres, which he packed in a farmer's cart, and covered over with hay and stubble. He then disguised himself in the dirty smock-frock, or *blouse*, of a peasant, and drove his precious load in safety into Belgium. From thence he soon found means to transport it to Amsterdam.

Hitherto, no difficulty had been experienced by any class in procuring specie for their wants. But this system could not long be carried on without causing a scarcity. The voice of complaint was heard on every side, and inquiries being instituted, the cause was soon discovered. The council debated long on the remedies to be taken, and Law, being called on for his advice, was of opinion, that an edict should be published, depreciating the value of coin five per cent. below that of paper. The edict was published accordingly ; but failing of its intended effect, was followed by another, in which the depreciation was increased to ten per cent. The payments of the bank were at the same time restricted to one hundred livres in gold, and ten in silver. All these measures were nugatory to restore confidence in the paper, though the restriction of cash payments within limits so extremely narrow, kept up the credit of the bank.

Notwithstanding every effort to the contrary, the precious metals continued to be conveyed to England and Holland. The little coin that was left in the country was carefully treasured, or hidden, until

the scarcity became so great, that the operations of trade could no longer be carried on. In this emergency, Law hazarded the bold experiment of forbidding the use of specie altogether. In February, 1720, an edict was published, which, instead of restoring the credit of the paper, as was intended, destroyed it irrecoverably, and drove the country to the very brink of revolution. By this famous edict, it was forbidden to any person whatever to have more than



LUCIFER'S NEW ROW-BARGE.\*

five hundred livres (£20) of coin in his possession, under pain of a heavy fine, and confiscation of the sums found. It was also forbidden to buy up jewelry, plate, and precious stones, and informers were encouraged to make search for offenders, by the promise of one half the amount they might discover. The whole country sent up a cry of distress at the unheard of tyranny. The most odious persecution daily took place. The privacy of families was violated

\*"Lucifer's New Row-Barge" exhibits Law in a barge, with a host of emblematic figures, representing the Mississippi follies.—From a print in *Mr. Hawkins' Collection*.

by the intrusion of informers and their agents. The most virtuous and honest were denounced for the crime of having been seen with a *louis d'or* in their possession. Servants betrayed their masters, one citizen became a spy upon his neighbor, and arrests and confiscations so multiplied, that the courts found a difficulty in getting through the immense increase of business thus occasioned. It was sufficient for an informer to say that he suspected any person of concealing money in his house, and immediately a search-warrant was granted. Lord Stair, the English ambassador, said, that it was now impossible to doubt of the sincerity of Law's conversion to the Catholic religion; he had established the *inquisition*, after having given abundant evidence of his faith in *transubstantiation*, by turning so much gold into paper.

Every epithet that popular hatred could suggest, was showered upon the regent and the unhappy Law. Coin, to any amount above five hundred livres, was an illegal tender, and nobody would take paper if he could help it. No one knew to-day what his notes would be worth to-morrow. "Never," says Duclos, in his *Secret Memoirs of the Regency*, "was seen a more capricious government—never was a more frantic tyranny exercised by hands less firm. It is inconceivable to those who were witnesses of the horrors of those times, and who look back upon them now as on a dream, that a sudden revolution did not break out—that Law and the regent did not perish by a tragical death. They were both held in horror, but the people confined themselves to complaints; a sombre and timid despair, a stupid consternation, had seized upon all, and men's minds were too vile even to be capable of a courageous crime." It would appear that, at one time, a movement of the people was organized. Seditious writings were posted up against the walls, and were sent, in hand-bills, to the houses of the most conspicuous people. One of them, given in the *Mémoires de la Régence*, was to the following effect: "Sir and madam,—This is to give you notice, that a St. Bartholomew's Day will be enacted again on Saturday and Sunday, if affairs do not alter. You are desired not to stir out, nor you, nor your servants. God preserve you from the flames! Give notice to your neighbors. Dated, Saturday, May 25th, 1720." The immense number of spies with which the city was infested, rendered the people mistrustful of one another, and beyond some trifling disturbances made in the evening by an insignificant group, which was soon dispersed, the peace of the capital was not compromised.

The value of shares in the Louisiana or Mississippi stock had fallen very rapidly, and few indeed were found to believe the tales that had once been told of the immense wealth of that region. A last effort was therefore tried to restore the public confidence in the Mississippi project. For this purpose a general conscription of all the poor wretches in Paris was made by order of government. Upwards of six thousand of the very refuse of the population were impressed, as if in time of war, and were provided with clothes and tools, to be embarked for New Orleans, to work in the gold mines alleged

to abound there. They were paraded day after day through the streets with their pikes and shovels, and then sent off in small detachments to the out-ports to be shipped for America. Two thirds of them never reached their destination, but dispersed themselves over the country, sold their tools for what they could get, and returned to their old course of life. In less than three weeks afterwards, one half of them were to be found again in Paris. The manœuvre, however, caused a trifling advance in Mississippi stock. Many persons of superabundant gullibility believed that operations had begun in earnest in the new Golconda, and that gold and silver ingots would again be found in France.

In a constitutional monarchy some surer means would have been found for the restoration of public credit. In England, at a subsequent period, when a similar delusion had brought on similar distress, how different were the measures taken to repair the evil! but in France, unfortunately, the remedy was left to the authors of the mischief. The arbitrary will of the regent, which endeavored to extricate the country, only plunged it deeper into the mire. All payments were ordered to be made in paper, and between the 1st of February and the end of May, notes were fabricated to the amount of upwards of 1,500 millions of livres, or \$0,000,000*l.* sterling. But the alarm once sounded, no art could make the people feel the slightest confidence in paper which was not exchangeable into metal. M. Lambert, the president of the parliament of Paris, told the regent to his face that he would rather have a hundred thousand livres in gold or silver than five millions in the notes of his bank. When such was the general feeling, the superabundant issues of paper but increased the evil, by rendering still more enormous the disparity between the amount of specie and notes in circulation. Coin, which it was the object of the regent to depreciate, rose in value on every fresh attempt to diminish it. In February, it was judged advisable that the Royal Bank should be incorporated with the Company of the Indies. An edict to that effect was published and registered by the parliament. The State remained the guarantee for the notes of the bank, and no more were to be issued without an order in council. All the profits of the bank, since the time it had been taken out of Law's hands and made a national institution, were given over by the regent to the Company of the Indies. This measure had the effect of raising for a short time the value of the Louisiana and other shares of the company, but it failed in placing public credit on any permanent basis.

A council of state was held in the beginning of May, at which Law, D'Argenson, (his colleague in the administration of the finances,) and all the ministers were present. It was then computed that the total amount of notes in circulation was 2,600 millions of livres, while the coin in the country was not quite equal to half that amount. It was evident to the majority of the council that some plan must be adopted to equalize the currency. Some proposed that the notes should be reduced to the value of the specie, while others proposed that the nominal value of the specie should be raised till it was on an

equality with the paper. Law is said to have opposed both these projects, but failing in suggesting any other, it was agreed that the notes should be depreciated one half. On the 21st of May, an edict was accordingly issued, by which it was decreed that the shares of the Company of the Indies, and the notes of the bank, should gradually diminish in value, till at the end of a year they should only pass current for one half of their nominal worth. The parliament refused to register the edict—the greatest outcry was excited, and the state of the country became so alarming, that, as the only means of preserving tranquillity, the council of the regency was obliged to stultify its own proceedings, by publishing within seven days another edict, restoring the notes to their original value.

On the same day (the 27th of May) the bank stopped payment in specie. Law and D'Argenson were both dismissed from the ministry. The weak, vacillating and cowardly regent threw the blame of all the mischief upon Law, who, upon presenting himself at the Palais Royal, was refused admittance. At nightfall, however, he was sent for, and admitted into the palace by a secret door,\* when the regent endeavored to console him, and made all manner of excuses for the severity with which in public he had been compelled to treat him. So capricious was his conduct, that, two days afterwards, he took him publicly to the opera, where he sat in the royal box alongside of the regent, who treated him with marked consideration in face of all the people. But such was the hatred against Law, that the experiment had well nigh proved fatal to him. The mob assailed his carriage with stones just as he was entering his own door; and if the coachman had not made a sudden jerk into the court-yard, and the domestics closed the gate immediately, he would, in all probability, have been dragged out and torn to pieces. On the following day his wife and daughter were also assailed by the mob as they were returning in their carriage from the races. When the regent was informed of these occurrences, he sent Law a strong detachment of Swiss guards, who were stationed night and day in the court of his residence. The public indignation at last increased so much, that Law, finding his own house, even with this guard, insecure, took refuge in the Palais Royal, in the apartments of the regent.

The chancellor, D'Aguesseau, who had been dismissed in 1718 for his opposition to the projects of Law, was now recalled to aid in the restoration of credit. The regent acknowledged too late, that he had treated with unjustifiable harshness and mistrust one of the ablest, and perhaps the sole honest public man of that corrupt period. He had retired ever since his disgrace to his country house at Fresnes, where, in the midst of severe but delightful philosophic studies, he had forgotten the intrigues of an unworthy court. Law himself, and the Chevalier de Conflans, a gentleman of the regent's household, were dispatched in a post-chaise with orders to bring the ex-chancellor

---

\* Ducloux, *Mémoires Secrets de la Régence.*



to Paris along with them. D'Aguesseau consented to render what assistance he could, contrary to the advice of his friends, who did not approve that he should accept any office of which Law was the bearer. On his arrival in Paris, five counsellors of the parliament were admitted to confer with the Commissary of Finance; and on the 1st of June an order was published abolishing the law which made



it criminal to amass coin to the amount of more than five hundred livres. Every one was permitted to have as much specie as he pleased. In order that the bank notes might be withdrawn, twenty-five millions of new notes were created, on the security of the revenues of the city of Paris, at two and a half per cent. The bank notes withdrawn were publicly burned in front of the Hôtel de Ville. The new notes were principally of the value of ten livres each; and on the 10th of June the

bank was re-opened, with a sufficiency of silver coin to give in change for them.

These measures were productive of considerable advantage. All the population of Paris hastened to the bank to get coin for their small notes; and silver becoming scarce, they were paid in copper. Very few complained that this was too heavy, although poor fellows might be continually seen toiling and sweating along the streets, laden with more than they could comfortably carry, in the shape of change for fifty livres. The crowds around the bank was so great, that hardly a day passed that some one was not pressed to death. On the 9th of July, the multitude was so dense and clamorous that the guards stationed at the entrance of the Mazarin Gardens closed the gate and refused to admit any more. The crowd became incensed, and flung stones through the railings upon the soldiers. The latter, incensed in their turn, threatened to fire upon the people. At that instant one of them was hit by a stone, and, taking up his piece, he fired into the crowd. One man fell dead immediately, and another was severely wounded. It was every instant expected that a general attack would have been commenced upon the bank; but the gates of the Mazarin Gardens being opened to the crowd, who saw a whole troop of soldiers, with their bayonets fixed ready to receive them, they contented themselves by giving vent to their indignation in groans and hisses.

Eight days afterwards the concourse of people was so tremendous that fifteen persons were squeezed to death at the doors of the bank. The people were so indignant that they took three of the bodies on stretchers before them, and proceeded, to the number of seven or eight thousand, to the gardens of the Palais Royal, that they might show the regent the misfortunes that he and Law had brought upon

the country. Law's coachman, who was sitting at the box of his master's carriage, in the court-yard of the palace, happened to have more zeal than discretion, and, not liking that the mob should abuse his master, he said, loud enough to be overheard by several persons, that they were all blackguards, and deserved to be hanged. The mob immediately set upon him, and thinking that Law was in the carriage, broke it to pieces. The imprudent coachman narrowly escaped with his life. No further mischief was done; a body of troops making their appearance, the crowd quietly dispersed, after an assurance had been given by the regent that the three bodies they had brought to show him should be decently buried at his own expense. The parliament was sitting at the time of this uproar, and the president took upon himself to go out and see what was the matter. On his return he informed the councillors that Law's carriage had been broken by the mob. All the members rose simultaneously, and expressed their joy by a loud shout, while one man, more zealous in his hatred than the rest, exclaimed, "*And Law himself, is he torn to pieces?*"\*

Much, undoubtedly, depended on the credit of the Company of the Indies, which was answerable for so great a sum to the nation. It was therefore suggested in the council of the ministry, that any privileges which could be granted to enable it to fulfil its engagements, would be productive of the best results. With this end in view, it was proposed that the exclusive privilege of all maritime commerce should be secured to it, and an edict to that effect was published. But it was unfortunately forgotten, that by such a measure all the merchants of the country would be ruined. The idea of such an immense privilege was generally scouted by the nation, and petition on petition was presented to the parliament that they would refuse to register the decree. They refused accordingly, and the regent, remarking that they did nothing but fan the flame of sedition, exiled them to Blois. At the intercession of D'Aguesseau, the place of banishment was changed to Pontoise, and thither accordingly the councillors repaired, determined to set the regent at defiance. They made every arrangement for rendering their temporary exile as agreeable as possible. The president gave the most elegant suppers, to which he invited all the gayest and wittiest company of Paris. Every night there was a concert and ball for the ladies. The usually grave and solemn judges and councillors joined in cards and other diversions, leading for several weeks a life of the most extravagant pleasure, for no other purpose than to show the regent of how little consequence they deemed their banishment, and

\* The Duchess of Orleans gives a different version of this story; but whichever be the true one, the manifestation of such feeling in a legislative assembly was not very creditable. She says that the president was so transported with joy, that he was seized with a rhyming fit, and, returning into the hall, exclaimed to the members:

*"Messieurs! Messieurs! bonne nouvelle!  
Le carrosse de Law est reduit en cannelle!"*

that, when they willed it, they could make Pontoise a pleasanter residence than Paris.

Of all the nations in the world, the French are the most renowned for singing over their grievances. Of that country it has been remarked with some truth, that its whole history may be traced in its songs. When Law, by the utter failure of his best laid plans, rendered himself obnoxious, satire of course seized hold upon him; and while caricatures of his person appeared in all the shops, the streets resounded with songs, in which neither he nor the regent was spared. Many of these songs were far from decent; and one of them in particular counselled the application of all his notes to the most ignoble use to which paper can be applied. But the following, preserved in the letters of the Duchess of Orleans, was the best and the most popular, and was to be heard for months in all the *carrefours* in Paris. The application of the chorus is happy enough :

Aussitôt que Lass arriva  
 Dans notre bonne ville,  
 Monsieur le Régent publia  
 Que Lass serait utile  
 Pour rétablir la nation.  
*La faridondaine ! la faridondon !*  
 Mais il nous a tous enrichi,  
*Biribi !*  
*A la façon de Barbari,*  
*Mon ami !*

Ce parpaillot, pour attirer  
 Tout l'argent de la France,  
 Songea d'abord à s'assurer  
 De notre confiance.  
 Il fit son abjuration,  
*La faridondaine ! la faridondon !*  
 Mais le fourbe s'est converti,  
*Biribi !*  
*A la façon de Barbari,*  
*Mon ami !*

Lass, le fils aîné de Satan  
 Nous met tous à l'aumône,  
 Il nous a pris tout notre argent  
 Et n'en rend à personne.  
 Mais le Régent, humain et bon,  
*La faridondaine ! la faridondon !*  
 Nous rendra ce qu'on nous a pris,  
*Biribi !*  
*A la façon de Barbari,*  
*Mon ami !*

The following epigram is of the same date :

*Lundi, j'achetai des actions ;  
Mardi, je gagnai des millions ;  
Mercredi, j'arrangeai mon ménage,  
Jeudi, je pris un équipage,  
Vendredi, je m'en fus au bal,  
Et Samedi, à l'hôpital.*

Among the caricatures that were abundantly published, and that showed as plainly as graver matters, that the nation had awakened to a sense of its folly, was one, a fac-simile of which is preserved in the *Mémoires de la Régence*. It was thus described by its author : " The 'Goddess of Shares' in her triumphal car, driven by the 'Goddess of Folly.' Those who are drawing the car are impersonations of the Mississippi, with his wooden leg, the South Sea, the Bank of England, the Company of the West of Senegal, and of various assurances. Lest the car should not roll fast enough, the agents of these companies, known by their long fox-tails and their cunning looks, turn round the spokes of the wheels, upon which are marked the names of the several stocks and their value, sometimes high and sometimes low, according to the turns of the wheel. Upon the ground are the merchandise, day-books and ledgers of legitimate commerce, crushed under the chariot of Folly. Behind is an immense crowd of persons, of all ages, sexes and conditions, clamoring after Fortune, and fighting with each other to get a portion of the shares which she distributes so bountifully among them. In the clouds sits a demon, blowing bubbles of soap, which are also the objects of the admiration and cupidity of the crowd, who jump upon one another's backs to reach them ere they burst. Right in the pathway of the car, and blocking up the passage, stands a large building, with three doors, through one of which it must pass, if it proceeds farther, and all the crowd along with it. Over the first door are the words, '*Hôpital des Foux.*' over the second, '*Hôpital des Malades,*' and over the third, '*Hôpital des Gueux.*' " Another caricature represented Law sitting in a large cauldron, boiling over the flames of popular madness, surrounded by an impetuous multitude, who were pouring all their gold and silver into it, and receiving gladly in exchange the bits of paper which he distributed among them by handfuls.

While this excitement lasted, Law took good care not to expose himself unguarded in the streets. Shut up in the apartments of the regent, he was secure from all attack ; and whenever he ventured abroad, it was either *incognito*, or in one of the royal carriages, with a powerful escort. An amusing anecdote is recorded of the detestation in which he was held by the people, and the ill-treatment he would have met had he fallen into their hands. A gentleman of the name of Boursel was passing in his carriage down the Rue St. Antoine, when his farther progress was stayed by a hackney-coach

that had blocked up the road. M. Boursel's servant called impatiently to the hackney-coachman to get out of the way, and, on his refusal, struck him a blow on the face. A crowd was soon drawn together by the disturbance, and M. Boursel got out of the carriage to restore order. The hackney-coachman, imagining that he had now another assailant, bethought him of an expedient to rid himself of both, and called out as loudly as he was able, "Help! help! murder! murder! Here are Law and his servant going to kill me! Help! help!" At this cry the people came out of their shops, armed with sticks and other weapons, while the mob gathered stones to inflict summary vengeance upon the supposed financier. Happily for M. Boursel and his servant, the door of the church of the Jesuits stood wide open, and, seeing the fearful odds against them, they rushed towards it with all speed. They reached the altar, pursued by the people, and would have been ill-treated even there, if, finding the door open leading to the sacristy, they had not sprang through, and closed it after them. The mob were then persuaded to leave the church by the alarmed and indignant priests, and finding M. Boursel's carriage still in the streets, they vented their ill-will against it, and did it considerable damage.

The twenty-five millions secured on the municipal revenues of the city of Paris, bearing so low an interest as two and a half per cent., were not very popular among the large holders of Mississippi stock. The conversion of the securities was, therefore, a work of considerable difficulty; for many preferred to retain the falling paper of Law's Company, in the hope that a favorable turn might take place. On the 15th of August, with a view to hasten the conversion, an edict was passed, declaring that all notes for sums between one thousand and ten thousand livres, should not pass current, except for the purchase of annuities and bank accounts, or for the payment of instalments still due on the shares of the company.

In October following, another edict was passed, depriving these notes of all value whatever, after the month of November next ensuing. The management of the mint, the farming of the revenue, and all the other advantages and privileges of the India or Mississippi Company were taken from them, and they were reduced to a mere private company. This was the death-blow to the whole system, which had now got into the hands of its enemies. Law had lost all influence in the Council of France, and the company, being despoiled of its immunities, could no longer hold out the shadow of a prospect of being able to fulfil its engagements. All those suspected of illegal profits at the time the public delusion was at its height, were sought out and amerced in heavy fines. It was previously ordered that a list of the original proprietors should be made out, and that such persons as still retained their shares should place them in deposit with the company, and that those who had neglected to complete the shares for which they had put down their names, should now purchase them of the company, at the rate of 13,500 livres for each share of 500 livres. Rather than submit to pay this



enormous sum for stock which was actually at a discount, the shareholders packed up all their portable effects, and endeavored to find a refuge in foreign countries. Orders were immediately issued to the authorities at the ports and frontiers, to apprehend all travellers who sought to leave the kingdom, and keep them in custody, until it was ascertained whether they had any plate or jewelry with them, or were concerned in the late stock-jobbing. Against such few as escaped, the punishment of death was recorded, while the most arbitrary proceedings were instituted against those who remained.



LAW IN A CAR DRAWN BY COCKS.\*

Law himself, in a moment of despair, determined to leave a country where his life was no longer secure. He at first only demanded permission to retire from Paris to one of his country seats, a permission which the regent cheerfully granted. The latter was much affected at the unhappy turn affairs had taken, but his faith continued unmoved in the truth and efficacy of Law's financial system. His eyes were opened to his own errors; and during the few remaining years of his life he constantly longed for an opportunity of again establishing the system upon a securer basis. At Law's last

\* Law in a car drawn by cocks; from *Het groote Tufereel der Duasheid*.

interview with the prince, he is reported to have said, "I confess that I have committed many faults. I committed them because I am a man, and all men are liable to error; but I declare to you most solemnly, that none of them proceeded from wicked or dishonest motives, and that nothing of the kind will be found in the whole course of my conduct."

Two or three days after his departure the regent sent him a very kind letter, permitting him to leave the kingdom whenever he pleased, and stating that he had ordered his passports to be made ready. He at the same time offered him any sum of money he might require. Law respectfully declined the money, and set out for Brussels in a post-chaise belonging to Madame de Prie, the mistress of the Duke of Bourbon, escorted by six horse guards. From thence he proceeded to Venice, where he remained for some months, the object of the greatest curiosity to the people, who believed him to be the possessor of enormous wealth. No opinion, however, could be more erroneous. With more generosity than could have been expected from a man who during the greatest part of his life had been a professed gambler, he had refused to enrich himself at the expense of a ruined nation. During the height of the popular frenzy for Mississippi stock, he had never doubted of the final success of his projects in making France the richest and most powerful nation of Europe. He invested all his gains in the purchase of landed property in France, a sure proof of his own belief in the stability of his schemes. He had hoarded no plate or jewelry, and sent no money, like the dishonest jobbers, to foreign countries. His all, with the exception of one diamond, worth about five or six thousand pounds sterling, was invested in the French soil; and when he left that country, he left it almost a beggar. This fact alone ought to rescue his memory from the charge of knavery, so often and so unjustly brought against him.

As soon as his departure was known, all his estates and his valuable library were confiscated. Among the rest, an annuity of 200,000 livres (£8,000 sterling) on the lives of his wife and children, which had been purchased for five millions of livres, was forfeited, notwithstanding that a special edict, drawn up for the purpose in the days of his prosperity, had expressly declared that it should never be confiscated for any cause whatever. Great discontent existed among the people that Law had been suffered to escape. The mob and the parliament would have been pleased to have seen him hanged. The few who had not suffered by the commercial revolution rejoiced that the *quack* had left the country; but all those (and they were by far the most numerous class) whose fortunes were implicated, regretted that his intimate knowledge of the distress of the country, and of the causes that had led to it, had not been rendered more available in discovering a remedy.

At a meeting of the Council of France and the General Council of the Regency, documents were laid upon the table, from which it appeared that the amount of notes in circulation was 2,700 millions.

The regent was called upon to explain how it happened that there was a discrepancy between the dates at which these issues were made and those of the edicts by which they were authorized. He might have safely taken the whole blame upon himself, but he preferred that an absent man should bear a share of it; and he therefore stated that Law, upon his own authority, had issued 1,200 millions of notes at different times, and that he, (the regent,) seeing that the thing had been irrevocably done, had screened Law by antedating the decrees of the council which authorized the augmentation. It would have been more to his credit if he had told the whole truth while he was about it, and acknowledged that it was mainly through his extravagance and impatience that Law had been induced to overstep the bounds of safe speculation. It was also ascertained that the national debt, on the first of January, 1721, amounted to upwards of 3,100 millions of livres, or more than £124,000,000 sterling, the interest upon which was £3,196,000. A commission, or *visa*, was forthwith appointed to examine into all the securities of the state creditors, who were to be divided into five classes: the first four comprising those who had purchased their securities with real effects, and the latter comprising those who could give no proofs that the transactions they had entered into were real and *bona fide*. The securities of the latter were ordered to be destroyed, while those of the first four classes were subjected to a most rigid and jealous scrutiny. The result of the labors of the *visa* was a report, in which they counselled the reduction of the interest upon these securities to fifty-six millions of livres. They justified this advice by a statement of the various acts of speculation and extortion which they had discovered; and an edict to that effect was accordingly published and duly registered by the parliaments of the kingdom.

Another tribunal was afterwards established, under the title of the *Chambre de l'Arsenal*, which took cognizance of all the malversations committed in the financial departments of the government during the late unhappy period. A Master of Requests, named Falhonet, together with the Abbé Clement, and two clerks in their employ, had been concerned in divers acts of speculation, to the amount of upwards of a million of livres. The first two were sentenced to be beheaded, and the latter to be hanged; but their punishment was afterwards commuted into imprisonment for life in the Bastille. Numerous other acts of dishonesty were discovered, and punished by fine and imprisonment.

D'Argenson shared with Law and the regent the unpopularity which had alighted upon all those concerned in the Mississippi madness. He was dismissed from his post of Chancellor to make room for D'Aguesseau; but he retained the title of Keeper of the Seals, and was allowed to attend the councils whenever he pleased. He thought it better, however, to withdraw from Paris, and live for a time a life of seclusion at his country seat. But he was not formed for retirement; and becoming moody and discontented, he



aggravated a disease under which he had long labored, and died in less than a twelvemonth. The populace of Paris so detested him, that they carried their hatred even to his grave. As his funeral procession passed to the church of St. Nicholas du Chardonneret, the burying place of his family, it was beset by a riotous mob, and his two sons, who were following as chief mourners, were obliged to drive as fast as they were able down a by-street to escape personal violence.

As regards Law, he for some time entertained a hope that he should be recalled to France to aid in establishing its credit upon a firmer basis. The death of the regent, in 1723, who expired suddenly as he was sitting by the fireside conversing with his mistress, the Duchess de Phalaris, deprived him of that hope, and he was reduced to lead his former life of gambling. He was more than once obliged to pawn his diamond, the sole remnant of his vast wealth, but successful play generally enabled him to redeem it. Being persecuted by his creditors at Rome, he proceeded to Copenhagen, where he received permission from the English ministry to reside in his native country, his pardon for the murder of Mr. Wilson having been sent over to him in 1719. He was brought over in the admiral's ship—a circumstance which gave occasion for



HOTEL DE SOISSONS.

a short debate in the House of Lords. Earl Coningsby complained that a man who had renounced both his country and his religion, should have been treated with such honor, and expressed his belief that his presence in England, at a time when the people were so bewildered by the nefarious practices of the South-Sea directors, would be attended with no little danger. He gave notice of a motion on the subject; but it was allowed to drop, no other member of the House having the slightest participation in his lordship's fears. Law remained for about four years in England, and then proceeded

to Venice, where he died in 1729, in very embarrassed circumstances. The following epitaph was written at the time :

"C'est cet Ecoassais célèbre,  
Ce calculateur sans égal,  
Qui, par les règles de l'algèbre,  
A mis la France à l'hôpital."

His brother, William Law, who had been concerned with him in the administration both of the bank and the Louisiana Company, was imprisoned in the Bastille for alleged malversation, but no guilt was ever proved against him. He was liberated after fifteen months, and became the founder of a family which is still known in France under the title of Marquise of Lauriston.

## POLITICAL HISTORY OF THE BANK OF THE UNITED STATES.

BY THE HON. THOMAS H. BENTON.

THE following forms one of the chapters of Col. Benton's forthcoming Memoirs of his own times. The *Political History* of the Bank of the United States cannot be impartially written by a political partizan, but should be prepared by some one whose judgment is not warped by party bias, and by one who has an accurate knowledge of the facts in that history. We give the chapter, however, entire; promising that at an early day the discolored views of the writer shall be revised by competent hands. —Ed. B. M.

### *Error of Mons. De Tocqueville in relation to the Bank of the United States, the President, and the People.*

THE first message of President Jackson, delivered at the commencement of the session 1829-30, confirmed the hopes which the democracy had placed in him. It was a message of the Jeffersonian school, and re-established the landmarks of party, when parties were founded on principle. Its salient point was the Bank of the United States, and the non-renewal of its charter. He was opposed to the renewal, both on grounds of constitutionality and expediency, and took this opportunity of so declaring, both for the information of the people and of the institution, that each might know what they had to rely upon with respect to him. He said :

"The charter of the Bank of the United States expires in 1836, and its stockholders will probably apply for a renewal of their privileges. In order to avoid the evils resulting from precipitancy in a measure involving such important principles, and such deep pecuniary interests, I feel that I cannot, in justice to the parties interested, too soon present it to the deliberate consideration of the legislature and the people. Both the constitutionality and the expediency of the law creating this bank are well questioned by a large portion of our fellow-citizens; and it must be admitted by all, that it failed in the great end of establishing a uniform and sound currency."

This passage was the grand feature of the message, rising above precedent and judicial decisions, going back to the constitution and the foundation of party on principle, and risking a contest at the commencement of his administration, which a mere politician would have put off to the last. The Supreme Court had decided in favor of the constitutionality of the institution; a democratic Congress, in chartering a second bank, had yielded the question both of constitutionality and expediency. Mr. Madison, in signing the bank charter of 1816, yielded to the authorities without surrendering his convictions. But the effect was the same in behalf of the institution, and against the constitution, and against the integrity of party founded on principle. It threw down the greatest landmark of party, and yielded a power of construction which nullified the limitations of the constitution, and left Congress at liberty to pass any law which it deemed "*necessary*" to carry into effect any granted power. The whole argument for the bank turned upon the word "*necessary*," at the end of the enumerated powers granted to Congress, and gave rise to the first great division of parties in Washington's time—the federal party being for the construction which would authorize a national bank; the democratic party (republican, as then called,) being against it.

It was not merely the bank which the democracy opposed, but the latitudinarian construction which would authorize it, and which would enable Congress to substitute its own will in other cases for the words of the constitution, and do what it pleased under the plea of "*necessary*"—a plea under which they would be left as much to their own will as under the "*general welfare*" clause. It was the turning point between a strong and splendid government on one side, doing what it pleased, and a plain economical government on the other, limited by a written constitution. The construction was the main point, because it made a gap in the constitution through which Congress could pass any other measures which it deemed to be "*necessary*," still there were great objections to the bank itself. Experience had shown such an institution to be a political machine, adverse to free government, mingling in the elections and legislation of the country, corrupting the press, and exerting its influence in the only way known to the moneyed power—by corruption. General Jackson's objections reached both heads of the case—the unconstitutionality of the bank and its inexpediency. It was a return to the Jeffersonian and Hamiltonian times of the early administration of General Washington, and went to the words of the constitution, and not to the interpretations of its administrators, for its meaning. Such a message, from such a man—a man not apt to look back when he had set his face forward—electrified the democratic spirit of the country. The old democracy felt as if they were to see the constitution restored before they died—the young, as if they were summoned to the reconstruction of the work of their fathers. It was evident that a great contest was coming on, and the odds entirely against the President. On the one side, the undivided phalanx of the federal party, (for they had not then taken the name of whig;) a large part of the democratic party yielding to precedent and judicial decisions; the bank itself, with its colossal money power, its arms in every State by means of branches, its power over the

State banks, its power over the business community, over public men who should become its debtors or retainers, its organization under a single head, issuing its orders in secret, to be obeyed in all places and by all subordinates at the same moment. Such was the formidable array on one side—on the other side a divided democratic party, disheartened by division, with nothing to rely upon but the goodness of their cause, the *prestige* of Jackson's name, and the presidential power, good against two-thirds of Congress on the final question of the re-charter, but the risk to run of his non-election before the final question came on. Under such circumstances, it required a strong sense of duty in the new President to commence his career by risking such a contest; but he believed the institution to be unconstitutional and dangerous, and that it ought to cease to exist; and there was a clause in the constitution—that constitution which he had sworn to support—which commanded him to recommend to Congress, for its consideration, such measures as he should deem expedient and proper. Under this sense of duty, and under the obligation of this oath, President Jackson had recommended to Congress the non-renewal of the bank charter, and the substitution of a different fiscal agent for the operations of the government, if any such agent was required. And with his accustomed frankness, and the fairness of a man who has nothing but the public good in view, and with a disregard of self which permits no personal consideration to stand in the way of a discharge of a public duty, he made the recommendation six years before the expiration of the charter, and in the first message of his first term; thereby taking upon his hands such an enemy as the Bank of the United States, at the very commencement of his administration. That such a recommendation against such an institution should bring upon the President and his supporters, violent attacks, both personal and political, with arraignment of motives as well as of reasons, was naturally to be expected; and that expectation was by no means disappointed. Both he and they, during the seven years that the bank contest (in different forms) prevailed, received from it, from the newspaper and periodical press in its interest, and from the public speakers in its favor of every grade, an accumulation of obloquy, and even of accusation, only lavished upon the oppressors and plunderers of nations—a Verres, or a Hastings. This was natural in such an institution. But President Jackson and his friends had a right to expect fair treatment from history—from disinterested history—which should aspire to truth, and which has no right to be ignorant or careless. He and they had a right to expect justice from such history; but this is what they have not received. A writer, whose book takes him out of that class of European travellers who requite the hospitality of America by disparaging of their institutions, their country, and their character—one whose general intelligence and candor entitle his errors to the honor of correction—in brief, M. de Tocqueville—writes thus of President Jackson and the Bank of the United States:

“When the President attacked the bank, the country was excited and parties were formed; the well-informed classes rallied round the bank, the common people round the President. But it must not be imagined that the people had formed a rational opinion upon a question which

offers so many difficulties to the most experienced statesman. The bank is a great establishment, which enjoys an independent existence, and the people, accustomed to make and unmake whatever it pleases, is startled to meet with this obstacle to its authority. In the midst of the perpetual fluctuation of society, the community is irritated by so permanent an institution, and is led to attack it in order to see whether it can be shaken or controlled, like all the other institutions of the country."—(Chapter 10.)

Of this paragraph, so derogatory to President Jackson and the people of the United States, every word is an error. Where a fact is alleged, it is an error; where an opinion is expressed, it is an error; where a theory is invented, it is fanciful and visionary. President Jackson did not attack the bank; the bank attacked him, and for political as well as pecuniary motives, and under the lead of politicians. When General Jackson, in his first message, of December, 1829, expressed his opinion to Congress against the renewal of the bank's charter, he attacked no right or interest which the bank possessed. It was an institution of limited existence, enjoying great privileges; among others, a monopoly of national banking, and had no right to any prolongation of existence or privilege, after the termination of its charter—so far from it, if there was to be another bank, the doctrine of equal rights and no monopolies or perpetuities, required it to be thrown open to the free competition of all the citizens. The reasons given by the President were no attack upon the bank. He impugned neither the integrity nor the skill of the institution, but repeated the objections of the political school to which he belonged, and which were as old as Mr. Jefferson's cabinet opinion to President Washington, in the year 1791, and Mr. Madison's great speech in the House of Representatives in the same year. He, therefore, made no attack upon the bank, either upon its existence, its character or any one of its rights. On the other hand, the bank did attack President Jackson, and under the lead of politicians, and for the purpose of breaking him down. The facts were these: President Jackson had communicated his opinion to Congress in December, 1829, against the renewal of the charter; near three years afterwards, on the 9th of January, 1832, while the charter had yet above three years to run, and a new Congress to be elected before its expiration, and the presidential election impending—(General Jackson and Mr. Clay the candidates)—the memorial of the President and Directors of the bank was suddenly presented in the Senate of the United States, for the renewal of its charter. Now, how came that memorial to be presented at a time so inopportune, so premature, so inevitably mixing itself with the presidential election, and so encroaching upon the rights of the people, in snatching the question out of their hands, and having it decided by a Congress not elected for the purpose, and to the usurpation of the rights of the Congress elected for the purpose? How came all these anomalies?—all these violations of right, decency and propriety? They came thus: the bank and its leading anti-Jackson friends believed that the institution was stronger than the President—that it could beat him in the election—that it could beat him in Congress, (as it then strived,) and carry the charter, driving him upon the

*veto* power, and rendering him odious if he used it, and disgracing him, if (after what he had said) he did not. This was the opinion of the leading politicians friendly to the bank, and inimical to the President. But the bank had a class of friends in Congress, also friendly to General Jackson, and between these two classes there was vehement opposition of opinion, on the point of moving for the new charter. It was found impossible, in communications between Washington and Philadelphia, then rendered slow and uncertain in stage coach conveyances, over miry roads and frozen waters, to come to conclusions on this difficult point. Mr. Biddle and the directors were in doubt, for it would not do to move in the matter, unless all the friends of the bank in Congress acted together. In this state of uncertainty, Gen. Cadwallader, of Philadelphia, friend and confidant of Mr. Biddle, and his usual envoy in all the delicate bank negotiations and troubles, was sent to Washington to obtain a result, and the union of both wings of the bank party in favor of the desired movement. He came, and the mode of operation was through the machinery of *caucus*—that contrivance by which a few govern many. The two wings being of different politics, set separately, one headed by Mr. Clay, the other by Gen. Samuel Smith, of Maryland. The two caucuses disagreed, but the democratic being the smaller, and Mr. Clay's strong will dominating the other, the resolution was taken to proceed, and all bound to go together. I had a friend in one of these councils who informed me regularly of the progress made, and eventually, that the point was carried for the bank—that General Cadwallader had returned with the news, and with injunctions to have the memorial immediately at Washington, and by a given day. The day arrived, but not the memorial, and my friend came to inform me the reason why; which was, that the stage had got overturned in the bad roads, and crippled General Cadwallader in the shoulder, and detained him; but that the delay would only be of two days, and then the memorial would certainly arrive. It did so, and on Monday, the 9th of January, 1832, was presented in the Senate by Mr. Dallas, a Senator from Pennsylvania, and resident of Philadelphia, where the bank was established. Mr. Dallas was democratic, and the friend of General Jackson, and on presenting the memorial, as good as told all that I have now written, bating only personal particulars. He said:

“That being requested to present this document to the Senate, praying for a renewal of the existing charter of the bank, he begged to be indulged in making a few explanatory remarks. With unhesitating frankness, he wished it to be understood by the Senate, by the good commonwealth which it was alike his duty and his pride to represent with fidelity on that floor, and by the people generally, that this application, at this time, had been discouraged by him. Actuated, mainly, if not exclusively, by a desire to preserve to the nation the practical benefits of the institution, the expediency of bringing it forward thus early in the term of its incorporation, during a popular representation in Congress, which must cease to exist some years before that term expires, and on the eve of all the excitement incident to a great political movement, struck his mind as more than doubtful. He felt deep solicitude and apprehension lest, in the progress of inquiry, and in the development of views, under present

circumstances, it might be drawn into real or imaginary conflict with some higher, some more favorite, some more immediate wish or purpose of the American people; and from such a conflict, what sincere friend of this useful establishment would not strive to save or rescue it, by at least a temporary forbearance or delay?"

This was the language of Mr. Dallas, and it was equivalent to a protest from a well-wisher of the bank against the perils and improprieties of its open plunge into the presidential canvass, for the purpose of defeating General Jackson, and electing a friend of his own. The prudential counsels of such men as Mr. Dallas, did not prevail; political counsels governed; the bank charter was pushed—was carried through both houses of Congress, dared the veto of Jackson, received it, roused the people, and the bank and all its friends were crushed. Then it affected to have been attacked by Jackson; and Mons. de Tocqueville has carried that fiction into history, with all the imaginary reasons for a groundless accusation which the bank had invented.

The remainder of this quotation from Mons. de Tocqueville, is profoundly erroneous, and deserves to be exposed, to prevent the mischiefs which his book might do in Europe, and even in America, among that class of our own people who look to European writers for information upon their own country. He speaks of the well-informed classes who rallied to the bank, and the common people, who had formed no rational opinion upon the subject, who joined General Jackson. Certainly, the great business community, with few exceptions, comprising wealth, ability and education, went for the bank, and the masses with General Jackson; but which had formed the rational opinion, is seen by the event. The "well-informed classes" have bowed, not merely to the decision, but to the intelligence of the masses. They have adopted their opinion of the institution, condemned it, repudiated it as an "obsolete idea;" and of all its former advocates, not one exists now. All have yielded to that instinctive sagacity of the people, which is an over-match for book-learning, and which, being the result of common-sense, is usually right, and being disinterested, is always honest. I adduce this instance, a grand national one, of the succumbing of the well-informed classes to the instinctive sagacity of the people, not merely to correct Mons. de Tocqueville, but for the higher purpose of showing the capacity of the people for self-government. The rest of the quotation, "the independent existence, the people accustomed to make and unmake, startled at the obstacle, irritated at a permanent institution, attack in order to shake and control," all this is fancy, or, as the old English wrote it, fantasy, enlivened by French vivacity into pungent theory, as fallacious as pungent.

I could wish I were done with quotations from Mons. de Tocqueville on this subject; but he forces me to make another extract from his book, and it is found in his chapter 18, thus:

"The slightest observation enables us to appreciate the advantages which the country derives from the bank. Its notes are taken on the borders of the desert for the same value as at Philadelphia. It is nevertheless the object of great animosity. Its directors have proclaimed their

hostility to the President, and are accused, not without some show of probability, of having abused their influence to thwart his election. The President, therefore, attacks the establishment with all the warmth of personal enmity; and he is encouraged in the pursuit of his revenge by the conviction that he is supported by the secret propensities of the majority. It always holds a great number of the notes issued by the provincial banks, which it can at any time oblige them to convert into cash. It has itself nothing to fear from a similar demand, as the extent of its resources enables it to meet all claims. But the existence of the provincial banks is thus threatened, and their operations are restricted, since they are only able to issue a quantity of notes duly proportioned to their capital. They submit with impatience to this salutary control. The newspapers which they have bought over, and the President, whose interest renders him their instrument, attack the bank with the greatest vehemence. They rouse the local passions and the blind democratic instinct of the country to aid in their cause; and they assert that the bank directors form a permanent aristocratic body, whose influence must ultimately be felt in the government, and must affect those principles of equality upon which society rests in America."

Now, while Mons. de Tocqueville was arranging all this fine encomium upon the bank, and all this censure upon its adversaries, the whole of which is nothing but a French translation of the bank publications of the day for itself, and against President Jackson—during all this time there was a process going on in the Congress of the United States, by which it was proved that the bank was then insolvent, and living from day to day upon expedients, and getting hold of property and money by contrivances which the law would qualify as swindling—plundering its own stockholders—and bribing individuals, institutions and legislative bodies, wherever it could be done. Those fine notes of which he speaks, were then without solid value. The salutary restraint attributed to its control over local banks was soon exemplified in its forcing many of them into complicity in its crimes, and all into two general suspensions of specie payments, headed by itself. Its solidity and its honor were soon shown in open bankruptcy, in the dishonor of its notes, the violation of sacred deposits, the loss of its capital, the destruction of institutions connected with it, the extinction of fifty-six millions of capital, (its own, and that drawn into its vortex,) and the ruin of families, both foreign and American, who had been induced by its name, and by its false exhibitions of credit, to trust their fortunes to it. Placing the opposition of President Jackson to such an institution to the account of base and personal motives—to revenge, because he could not seduce it into his support—is an error of fact manifested by all the history of the case, to say nothing of his personal character. He was a senator in Congress during the existence of the first National Bank, and was against it; and on the same grounds of unconstitutionality and inexpediency. He delivered his opinion against this second one before it had manifested any hostility towards him. His first opposition was abstract against the institution without reference to its conduct; subsequently it became opposition to a criminal institution on account of its criminality; and time and events



have shown him to have been right on both occasions. He the instrument of local banks! he who could not be made the instrument, or even the friend of the great bank itself! who was all his life a hard money man, an opposer of all banks, the denouncer of delinquent banks of his own State! who, with one stroke of his pen, in the recess of Congress in 1836, struck all their notes from the list of land-office payments! and whose last message to Congress, and in his farewell address to the people, admonished them earnestly and affectionately against the whole system of paper money, the evils of which fell heaviest upon the most meritorious part of the community, and the part least able to bear the evils—the productive classes.

The object of this chapter is to correct errors, vindicate history, and do justice to President Jackson and the democracy; and my task is easy. Events have answered every question on which the bank controversy depended, and nullified every argument in its favor. So far from being "necessary," it is found that the country does infinitely better without the institution than with it. During the twenty years of its existence, there were periodical returns of panic and distress, deranged currency, and ruined exchanges; in the almost twenty years since elapsed, those calamitous words have never been heard. There was no gold during the existence of the bank; there has been a gold currency ever since. There were general suspensions of specie payments during its time; none such since. Exchanges were deranged during its existence; they have been regular since its death. Labor and property lived the life of up-and-down—high price one day, low the next, while the bank ruled; both have been up ever since it has been gone. We have had a war since—a foreign war, which tries the strength of financial systems in all countries; and have gone through this war not only without a financial crisis, but with a financial triumph, the public securities remaining above par during the whole time. And in this fact experience has invalidated the decision of the Supreme Court, in expunging the single argument upon which that decision rested, and which was the only one from the time of General Hamilton. Necessity! necessary to carry into effect the granted powers! Every granted power, and some not granted, have been carried into effect since the extinction of the bank, and under the gold currency and independent treasury system; and with triumphant success—the war power the greatest of all, and most successfully exercised of all. And this sole foundation for the court's decision in favor of the constitutionality of the bank being removed, the decision itself vanishes! disappears, "like the baseless fabric of a vision, leaving not a wreck behind." But there will be a time for this subject, the only object of this chapter having been accomplished in the vindication of General Jackson and the people from this error of Mons. de Tocqueville, in relation to them and the bank.

## THE FINANCIAL CONDITION OF EUROPE UNDER WAR.

## THE FUNDS AND THE FUNDHOLDERS.

IN our circular of the 22d of October we endeavored to show the fatal consequences that must ensue to the various European Governments under a general war, with regard to finance. We then promised to view the commercial condition of Europe from the same aspect. But it has been requested that we would enter somewhat more into the details of the subject we have already noticed. We have, therefore, waived the commercial part of it, until we have made a few additional observations upon European finance. There can be no comparison made between the ancient and modern systems of finance; for although commerce was carried to a state of great advancement in such cities as ancient Athens, Tyre, Carthage and Venice, and at later periods in Genoa, Barcelona and Antwerp, yet none of them conducted their financial operations upon the system adopted in more modern times. The system of funding, so extensively practised in this country, has now spread itself over nearly the whole of Europe, and it is rather in form, than in principle, that it differs in different countries. Our own funded debt, as it is called, is like the Himalaya mountains placed beside the Derbyshire Peak, when compared with the debts of other nations. Such a mass of liabilities in the shape of perpetual annuities upon the industry of such a population as is contained in the British Isles, almost surpass belief; and yet, after a period of twenty-three years' war, which raised the nominal capital of that debt to an equivalent 3 per cent. stock of nearly a thousand millions, the financial credit of England has never been suspended. But whatever difficulties we have overcome in our financial character, there is nothing that can warrant us in anticipating similar results under another European war. We have not only changed our relative position in Europe with regard to our commercial influence, but we have completely changed the monetary system by which we overcame the difficulties of that tremendous accumulation of liabilities. Mr. Warde Norman has written a pamphlet to show that we are, compared to our means, a very lightly taxed nation, and that we could bear a much greater weight per head. But if we remember rightly, that gentleman based his argument rather upon the aggregate amount of English wealth, than upon its distribution amongst the population. This, however, does not give a very accurate measure of the pressure of taxation. The weight of taxation is increased in two ways, according to the position in which parties are placed. To the fundholder, who exchanges a fixed sum of money for a certain quantity of goods or labor of any kind, the pressure of taxation increases with a tax on commodities, and his position becomes worse as prices advance, no matter what is the cause. As the prices of commodities are reduced, he who exchanges them for money finds the pressure of taxation to increase, and diminish as prices advance. These two opposing interests have been the principal causes of the antagonism between the fundholder, or the fixed annuitant, and the seller of commodities, the one contending for low, and the other for high prices, without discovering

that both are interwoven with our system of funding, as we term it, the full pressure of which must fall on industry of every description either in a greater or less degree.

In the event of an European war we shall have to combat with a difficulty, which as yet has not been experienced. The individual interests in the public funds are so numerous to what they were during the last war, that we can scarcely calculate upon the consequences of a continental revolution in which England may be called upon to participate. The most prominent of the institutions connected with our financial system is that of savings' banks; and although the government is not absolutely responsible for the amount of savings' bank funds, the amount of stock invested on account of the depositors forms a very important item in the liabilities of the bank, and may be called for at any time. Now we must bear in mind that no such claims existed when the war broke out in 1793, for it was only until after the close of the war in 1817, that these institutions received the special notice of Parliament, by passing the 57 Geo. 3, cap. 105 and 130, to encourage the establishment of them in England and Ireland.

These funds must be invested in the Bank of England in the names of the Commissioners for the Reduction of the National Debt. The banks which were first projected and managed by a few benevolent and charitable individuals, have now become a very prominent feature in our national finance; and it is the peculiar power with which the depositors are invested to withdraw their savings, that the subject ought not to be overlooked in the event of a general war. The following statement shows the extent of money received and paid by Government on account of these institutions from 1840 to 1850, exclusive of sums received on behalf of friendly societies:

<i>Years.</i>	<i>Money Received.</i>	<i>Money Paid. Principal ex- clusive of In- terest.</i>	<i>Years.</i>	<i>Money Received.</i>	<i>Money Paid. Principal ex- clusive of In- terest.</i>
1840,.....	£1,082,687	£887,796	1846,.....	£1,236,621	1,021,450
1841,.....	1,039,152	933,801	1847,.....	475,745	3,571,218
1842,.....	1,148,444	1,062,605	1848,.....	539,302	3,021,960
1843,.....	1,784,509	663,443	1849,.....	915,323	1,197,242
1844,.....	1,798,165	700,819	1850,.....	966,117	1,391,994
1845,.....	1,427,581	1,424,346			

It will be seen by this statement that the deposits in savings' banks are a very correct barometer as to the influence of panics upon the depositors. If we were in possession of more of the details of this subject, we might arrive at some very valuable conclusions; but enough is already known to predict, that if we were engaged in a protracted war, that there is a very great probability that the withdrawal of these deposits would constitute a very grave difficulty both with the Government and the bank. If we refer to the years 1847 and 1848, we see the result in the amount of deposits of those two years; for while in the years 1845 and 1846 the total amount of deposits received was £2,664,202, and the sum paid out, £2,445,796, leaving a balance in favor of the sum received amounting to £218,406; the total amount received in 1847 and 1848

was only £1,015,047, while the sum paid was £6,593,178, being a balance against the Government of £5,578,131. The following statement shows the difference more clearly :

<i>Years.</i>	<i>Received.</i>	<i>Paid.</i>
1845, } 1846, }	£2,664,202	£2,445,796
Difference in favor of Receipts, £218,406.		
1847, } 1848, }	£1,015,047	£6,593,178
Difference on account of payments, £5,578,135.		

The public may form some idea of what the effect of war would be on these funds, if by a commercial panic only, such a movement took place in 1847 and 1848, for the whole of operation would be accomplished through the circulating medium of the country, and more particularly that of the Bank of England.

Twenty years since, the total number of savings' banks in England, Wales and Ireland was 484, with funds amounting to £15,715,111, and the number of accounts opened was 475,155. In the year 1850 the number of savings' banks had increased to 573, the total number of depositors to 1,092,581, and the amount of money invested to £27,108,563. This is exclusive of sums invested on account of charitable institutions and friendly societies; the total of which was in 1850, £31,208,322. The official accounts are not brought down to a later period, but from a parliamentary paper issued last session the total may now be stated at about £34,000,000, including the funds of friendly societies and charitable institutions. Here is an element in our social condition, which, if trifled with, might create the greatest convulsion in our financial system; and they who talk so glibly of war, know but little of its consequences.

If we examine the financial system of our neighbors across the waters, the French people, we find that they too have adopted the system of savings' banks, which for security are interwoven with the finance of the State; and as they have no institutions similar to ours which make provision for the destitute and the aged, great care is taken to encourage the savings of the industrious classes. The reports of these institutions are very carefully and minutely set forth. In 1852 there were 357 savings' banks in France, and the total deposits amounted to about 150,000,000 francs, or £6,000,000 sterling. This is far short of the amount of deposits in England; but in France there is not so large a class depending upon wages as there is in this country, which in some degree accounts for the discrepancy, though it is not always found either here or in France, that those who are in receipt of the greatest amount of wages are the most saving. The statistics of the French savings' banks are so well arranged, that the depositors are classed under distinct heads: this is not the case in the English returns, so that we do not know the classes of which the depositors consist. But as this is not the object of our present remarks, we shall pass over that portion of the subject. We intend, by referring to these institutions, to show that both in France and England, the

interests of the industrious classes are so closely interwoven with the welfare of the State, that whatever militates against the security of the latter, must inevitably produce a corresponding result upon the former. Some economists, however, have regarded this unity of interests as the most powerful lever in overthrowing a State; but men are now too much alive to their rights, and the importance of peace, to venture upon the adoption of a course in which their own interests would be at stake; and it is, therefore, why the great interest of all Europe is to be found in peace.

If we turn to the changes which have taken place in the distribution of the public funds, we are again met by facts of a most important nature. We have not at our command any statement of the number of persons who were entitled to dividends on the public stocks prior to the revolution of 1793: but from the smallness of the National Debt at that period, we may presume that the number was comparatively trifling with what it is at present. The total number of persons receiving dividends on the interest of £737,130,668 of capital stock was, on the 10th of October, 1822, and the 5th January, 1823, 283,958; of these persons the number and amount of their dividends was as under:

<i>Not exceeding £10 per annum.</i>	<i>Total of Persons.</i>	<i>Not exceeding £10 per annum.</i>	<i>Total of Persons.</i>
10,.....	90,755	1,000,.....	3,243
20,.....	41,295	2,000,.....	1,732
100,.....	99,582	4,000,.....	487
200,.....	26,049	Exceeding . . 4,000,.....	215
400,.....	15,459		
600,.....	5,141	Total,.....	283,958

The returns of a later period are so arranged as not to admit of a comparison with the above under each separate amount of dividend; but if we compare the number of persons at these two periods in October, 1850, and in January, 1851, there is a considerable decrease, yet in the number of persons receiving dividends in April and October, 1835, compared with the number in 1850, the increase is most remarkable, as the following statement will show:

	<i>Total number of per- sons April 5th.</i>	<i>Total number of per- sons October 10th.</i>
1850,.....	149,484	148,313
1835,.....	89,013	90,325
Increase,.....	60,471	Increase,.. 57,980

The figures show how great the increase has been in the distribution of the funded property in this country, and consequently how great the interest of the public has become in its security.

The state of the public funds of France has undergone the same remarkable changes. When the decree for the conversion of the Five per Cent. rentes was issued in March, 1852, we gave a statement of the progressive number of inscriptions in the circular of March the 20th; but as some of our readers may not have the means of referring to that statement, we will repeat that the Capital Debt in 1824 stood at £112,000,000, and the number of inscriptions in the Great Book was only 152, and the

average value of each inscription was £736,842. In the year 1831 the Capital Debt was £172,000,000, and the number of inscriptions 168,997; in 1850 the Capital Debt was £218,300,461, and the number of inscriptions on the Great Book was 846,330, at an average value of £258 each. Such are the remarkable changes that have occurred in two of the most powerful and wealthy states in Europe with regard to their finance; and as the public liabilities have increased, they have been gradually distributed amongst a greater number of persons interested in their security.

We are not aware of any official statement that sets forth the debts of the other States of Europe in so clear a light; but the various descriptions of securities bought and sold in the leading capitals of Europe may be taken as the best index to the enormous mass of the funded and unfunded debts of foreign nations in the hands of private individuals. Nothing compared to it was ever before known; and should an European conflagration take place, it is almost impossible to say what may be the final result; for the question, as we have shown, is not one that concerns the interest of States alone, but of individuals of the humblest class, numbered by hundreds of thousands. And it has been very truthfully remarked by a celebrated historian, that "Mankind can stand anything rather than a stoppage or diminution of their accustomed payments."—*London Bankers' Circular*.

---

## THE FINANCIAL PRESSURE IN NEW YORK.

Communicated to the N. Y. Courier and Enquirer.

THE plan of a *Clearing House*, for the banks in our city, has gone into operation, and, as far as it goes, works well; and although it was found impracticable to make the Clearing House the general depository for the specie of our banks, still the partial deposit of specie in one bank, that issues certificates therefor, to secure as a medium of payment for balances, is, for the present, perhaps, all sufficient for the purpose. Indeed, it is better that all important changes of the kind should go gradually into operation, not only that their advantages may be appreciated, but that errors and inconveniences, if found to exist, may be removed as they arise, and thus improvement keep pace with experience.

We have passed through, or rather are now passing through, a financial pressure of long continuance, and of no ordinary severity, proving what can be accomplished, and what can be endured; for while the effect of combined action on the part of our Banks is fully demonstrated, in a curtailment of loans in three months of fourteen millions of dollars, the solvency of the mercantile community under so great and lengthened a stringency in the money market, is fairly proved and favorably displayed.

The causes of this financial pressure deserve to be considered.

In the first place, we have a sub-treasury system that hoards and withholds from use the specie paid for duties; and we have a tariff that un-

duly encourages imports of foreign manufactures, whence large balances are continually accumulating against us, requiring large remittances, while the gold from California is not sufficient for this object. Our imports, for some time past, have been excessive, compared with any previous period, and the foreign debt is now being gradually discharged. If we had a tariff, properly regulated and adjusted, under the guidance, not of ultra views, but of a wise discrimination; a tariff that should lay the duty on imports according to quality, weight and measure, whenever practicable, the question of the sub-treasury would be harmless, and our financial system would be less subject to fluctuations, and perhaps entirely exempt from any serious revulsions. But under the stimulus of what is miscalled "free trade," the too great accumulation of specie in the public coffers is often productive of inconvenience, sometimes of injury. It is proved that the sub-treasury does not, and cannot, as was promised, prevent excessive imports, and it is equally plain that when the equilibrium is to be restored, and the commercial balance liquidated, the effect of its hoarded treasures, by crippling the means of our banks, increases the difficulty of payment.

In the next place, the operation of the law of our State, requiring the publication of weekly returns by our banks, has had its effect in curtailing loans. Every bank is necessarily the judge of its own course, but the public, also, is now constituted a judge in the case, as well as of the relative strength of each bank, not merely in comparison with other institutions, but on a review of its own liabilities and resources; while the clearing house plan, for the daily discharge of bank balances in specie, following so soon after the law for weekly publication, has also had a tendency to increase the stringency in the money market.

But among the most fruitful and attractive objects for the absorption of capital, in a country which, like ours, has so great a capacity for its profitable employment, but is still so greatly deficient in its accumulation compared with her wants, rail-road stocks and bonds stand foremost and conspicuous. There are several prominent and extended lines of rail-road in progress and in contemplation, which are well calculated to advance the best interests of the country, but which are in want of more capital than our own country can furnish, and there are also parallel and opposing lines extending over the land, which are not likely to result in individual benefit or public advantage; a large amount of capital accordingly is locked up, which cannot be rendered available. Some of the undertakings of the day may, perhaps, remain as land marks of the present times; and others, dependent for their progress or completion upon the aid of foreign capital, must become suspended, at least for a season; nor should it be forgotten, that during the crisis in England in 1847, the extravagant speculation in railway shares was then considered as among the leading causes of their financial difficulties.

The remaining cause of the feeling of despondency in the money-market, and, with some, the prevailing cause for apprehension, was an expectation of the policy that might be pursued by the Bank of England under the pressure of necessity arising from a continuous and heavy export of gold to pay for breadstuffs. A deficient harvest, in all her past

history, has ever pressed with severity not merely on the monetary system of England, but on all the essential interests of the kingdom; and under the stringent operation of Mr. Peel's bill of 1844, prohibiting, after a certain period, the issue of bills by the Bank of England, except in exchange for gold, an export of that metal to any great extent, under a real or apprehended scarcity of grain, would be certain to reproduce, either to the same extent, or, perhaps, in a mitigated degree, the alarming panics that prevailed at London in April and October of 1847. There existed then "an intense distrust, which withheld and withdrew capital from the market," and the memorial from Liverpool declared that "Bills of Exchange and the most valuable securities are inconvertible into cash, even at great depreciation, except in the most insignificant amounts, and if the pressure be not relieved, merchants and traders of undoubted responsibility, who are not only solvent, but rich, will inevitably be compelled to stop payment."

The application of the *iron rule* of the act of 1844, at the approach, and during the existence of the panic of 1847, in preventing an increased issue of bank notes, except for gold, and thereby disarming the bank of all power of relief, reflected no credit on the science of banking in England. This act was to accomplish two important objects: one, that the bank could not fail, although the commercial community might; the other, that all undue speculation, founded upon an excess of currency, would as certainly be prevented. Yet it was found that the system did not prevent the most extravagant outlays for rail-roads that had ever existed—a writer at London, of high authority, having said, that a more desperate, evasive or culpable game, was never played, than that which was then being carried on by the railway financiers of Great Britain.

Then, as to the failure of the bank itself: During the panic of October, 1847, how could the bank have paid its depositors, when fourteen millions of its issues were founded on government stock? who could have given bank notes for the securities held by the institution, if it had wished to sell them? who could have purchased from the issue department its government stock, and given sovereigns in exchange, with which to redeem its notes? There was and is no security, in time of danger, in their present system, under the operation of that law, for at the period alluded to, seven millions of gold in its coffers, the Bank of England came near breaking itself, or the commercial community, or both together—these results being prevented only by the interference of government, at the instance of the London bankers.

It was natural and reasonable, therefore, to feel apprehensive of the effects of the probable conduct of the Bank of England, when it is admitted that the wheat harvest has been deficient both in England and France. A glance at our financial condition, and the prospects of the future, will be presented in our next.

New York, November 23, 1853.

PUBLIUS.

#### REMARKS.

Your correspondent "PUBLIUS" discusses the causes of the present "financial crisis;" a highly interesting topic. In doing this he reproduces



the general theory, and endeavors to show how, in accordance with this, the fact is to be accounted for.

His first position is, that "we have a sub-treasury which hoards and withholds from use the specie paid for duties," while he assumes also that "we have a tariff that unduly encourages imports." Now if the sub-treasury did *not* hoard the gold, it would either go into the circulation and thereby increase the demand for imports, or into the banks and thereby increase their issues, and thus in an augmented degree increase the imports; or it would go to Europe in payment for, and in that way augment our imports; so that *with our present tariff* the sub-treasury is an unmixed good; for its only effect is, to hold in check the currency, prevent its increase, and the consequent expansion of all prices which would tempt the foreigner more powerfully to throw his goods upon our market. He assumes that if we had a tariff properly adjusted, "the sub-treasury would be harmless." Now this would arise only from the fact that our diminished imports would leave no amount to accumulate in the treasury, and our gold would go into circulation. Is he quite sure that the gold of California, if thrown into the circulation or into the banks, and made the basis of issues in our present ratio of paper to specie, of one hundred to eight or ten, would not so expand our currency that no tariff, not prohibitory, would prevent excessive imports, while our ability to export would be seriously impaired?

We confess ourselves unable to understand how the law requiring weekly statements should have any necessary tendency to diminish the loans and discounts of our banks, unless they were so improperly extended that they would not bear exposure to the public. We shall be disappointed if they are not, in March, 1854, equal to what they were in September, 1853; nor can we see that the effect of the Clearing House can be any thing else than a proper method of preventing shabby parties from dodging their responsibilities, and using their neighbors' funds for their own profit. His next position, and to him a most important one, is, that "absorption of capital," as he expresses it, by the construction of rail-roads. That rail-roads absorb capital, we admit; they require, for their construction, labor, land, timber, iron, &c., and for the purpose of *transferring* this labor, land, timber and iron, from its position, anterior to construction, to the road, the *use* of money is required; but that any, the smallest quantity, is *absorbed*, we think is not true. On the contrary, the construction of roads, if the stock of *labor* is adequate, tends to render money apparently more abundant by increasing its activity; and we have no doubt that such rail-road constructions in England in 1845-'46, tended greatly to mitigate the evils of the revulsion of 1847. If the short crop of 1853 shall produce results quite similar to 1847, that is, shall force the Bank of England to the fear of suspension, then our position will be established, for there is now no rail-road construction, and there is the gold of Australia to mitigate the evil. We are aware how generally, in the opinion of the financiers in England, the rail-road mania was considered the cause of the panic of 1847.

His next position is, the apprehension of difficulty from the fact that England might be obliged to *export* gold to pay for breadstuffs. What

possible difficulty could arise *to us* from this? The scarcity is general in Europe, and we alone of all the commercial nations have a surplus; to us then, England must send gold if to any quarter; at least the demand for, and the enhanced price of our breadstuffs, must improve the condition of the exchanges, and the only just apprehension was from a return of stocks, to which he does not allude.

We see in all this nothing to require or justify the reduction of the loans and discounts of our banks 15 millions in three months; a course of action which has had no other effect than to alarm and distress the public, to sacrifice the interest upon the loans, and the property of the active portion of the community in extra interest to double the amount; perhaps to postpone the completion of a few minor roads for a few months, to turn a few thousand laborers adrift to starve through the winter in idleness, who might have been originating capital for the nation and comfort for themselves and families.

His allusion to the "*iron rule* of the act of 1844," demonstrates the position that the wisest are at fault. The American and the English theory of finance is based upon the assumption that *money is wealth*. This we believe to be a false assumption, and, therefore, that all the opinions and the reasoning, which rest upon that basis, are unfounded and defective. We have no hope, however, of convincing PUBLIUS of the truth of the opposite theory, that *money is not wealth*, but may lead him to look more deeply into the subject. What we intend by the statement that money is not wealth is, that money is merely *a machine for the production of wealth*; that a quantity sufficient for the purpose is all that is necessary or desirable, and that the *smallest* quantity practicable is the best; that ten pounds of gold or a hundred dollars of paper, *for the purpose of money*, is better than a hundred pounds of gold or a thousand dollars of paper. That gold, as an exportable article, is wealth, we admit, for it will exchange for other forms which we need or desire; but, *as money*, it is not wealth, and the less we have of it the better.

Having called in question the positions of "PUBLIUS," in relation to "the financial pressure," it becomes, perhaps, proper for us to present our own.

In the first place, let us inquire, what has been done to occasion the pressure? All will agree, that the reduction of the loans and discounts of the banks of the city of New York, is the *immediate* cause. If this reduction was necessary, then the inquiry will be, whence the necessity—was it owing to circumstances within, or without the banks? If it was not necessary, what was the motive? was it the result of an error of judgment, or was it intended to accomplish some object, and what was that object, or the result intended?

What has been done? On the 6th of August last, the loans and discounts of the banks of the city were nearly ninety-eight millions. This sum was the active cash means, existing, mainly, in the form of bank credits, of the public doing business in the banks, and which enabled them to keep their operations, mercantile, mechanical and financial, at a given point of extension. It enabled the distributing merchant to sell on the usual terms of credit; the mechanic to manufacture; advancing

cash for labor and materials ; and the financial agent to negotiate, just in proportion as they were participants in this amount of loans and discounts. The curtailment then began, and continued for three months, and when it reached its crisis, the loans and discounts were reduced to nearly eighty-four millions. During this period of three months, fourteen millions of the active cash means of the business public were extinguished, and they were required to meet this change, either by the sale of property for cash in a declining market, or to purchase cash by the sale of their credits, at extra rates of interest, or fail ; they have met the crisis manfully, with but very few failures, though at a great sacrifice of property, from the decline of prices, or for extra interest.

The banks having reduced their loans and discounts, and sacrificed for their stockholders the interest upon the fourteen millions, are now beginning to expand again. In what respect have they really changed their own position ? They have reduced their *immediate liabilities* about three and a half millions, and have added to their stock of specie less than four millions, thus converting four millions of their assets into idle capital, and extinguishing ten millions, in order, as is alleged, to strengthen their position. Their immediate liabilities are now sixty-six and a half millions, with thirteen and a half millions of specie ; their position is not properly any stronger, for, if their former position was one of danger, from the apprehended condition of the European exchanges, then nothing has been gained, for thirteen and a half millions are scarcely more competent to pay sixty-six and a half, than nine and a half was to pay seventy millions ; neither was of any avail *if payment was to be made* ; almost a panic was created, which might have swamped both banks and the public, but no benefit has been obtained in that direction, and the advantage must be sought for in some other.

The evil to which we are exposed is an adverse condition of European exchanges. This must arise from the excess of imports over exports, and the only action, to be of any avail in averting the evil, must be that which will prevent excessive imports. It is true that diminishing the active cash means of the mercantile public would have that tendency, if the *power* of the banks were adequate to such a result, but it is not competent to the end proposed. They control but a moiety of the capital actively employed in the community ; their power consists solely in the fact that they are *the creators of the currency*, and thousands of notes which sell in Wall-street at 12 to 15 per cent. discount, are *better than their own* ; and, if only *they could be made currency*, would buy bank notes at a discount ; they control a still smaller portion of that engaged in foreign commerce which makes the imports, which is mainly conducted with foreign capital, while they are always in the power of that interest, which could bankrupt them all in an hour by calling for their deposits. To check the imports was perhaps one of the reasons which induced the course of action adopted, but it is obvious that it has signally failed ; there is no diminution of imports, nor is it likely there will be until the catastrophe to which we are unfortunately exposed, a serious advance in the rate of exchange, and the consequent break down of our currency occurs—that we believe will not happen at present—we hope

not at all; because the gold of California and Australia is steadily advancing prices in Europe, lessening the burden of national debts, and enabling her inhabitants to consume more of their own products; forcing less upon our markets, and thereby enabling us to extend our own manufacturing industry. Add to this, the relative amount of our foreign commerce, as compared with the domestic, is daily diminishing, and its influence upon national capital is becoming less and less, and so the danger from that quarter is daily passing away. Thus much for circumstances *without* the banks, the measure has failed of any result—was there anything *within* them rendering it necessary?

Nothing is more obvious than that no necessity for *contraction* could exist, unless there had been improper *expansion*. The public have no power to compel loans, the banks are entirely at liberty to make their amount what they please, and will not accept the position that they are lenders against their will. In the exercise of their functions as *the creators of the currency*, they should be competent to decide what amount of credit the public should enjoy, and keep them to its prudent use, especially when, as at present, and as has been the case for a long time, there is a constant tendency to excessive imports notwithstanding our export of gold and credit, which latter is probably equal in amount to the whole banking capital of the nation. Under these circumstances, is not the *improper expansion* the real cause of the difficulty, and are not they themselves the real authors of the mischief which their rapid curtailment has occasioned? Thus much for circumstances within the banks.

There is another aspect of the case to which we will call attention. This condition of things is capable of being created by parties holding large cash means for their own benefit. There is in the community, doubtless, such a class, and they have a powerful influence. Nothing would be more natural than that this influence should be exercised, first to *increase*, the operations of the banks, and inflate the currency until the price of all perfectly reliable stocks shall have reached a point sufficiently high to meet their wishes as *sellers*. Their large means being transferred from stocks to cash, the same influence may be exerted in the opposite direction, to *diminish* the operations of the banks and contract the currency, till the price of the same stocks shall decline to their desires as *purchasers*, when they invest again, and immediately the expansion recommences; these movements adjusted so as to hold the stocks at the periods of dividends—January and July—would enable shrewd managers to realize both interest and the profit of the change in prices. Stocks bought in November at par or a discount, the January dividend received, sold in July after receiving the dividend, and re-purchased in November at the reduced figure, would certainly give their owner fifteen or twenty per cent. per annum upon his capital, without involving the shadow of risk. If the power to exercise this influence exists, and if the fluctuations correspond with those periods, and when it is known that, by the law of the currency, the contraction of a few strong banks to produce the result is entirely competent, which no effort of their associates can prevent, it would not be strange if the suspicion existed that it was exercised for the purpose by those who have the power and control the financial operations of the city. PAR.

## ON THE PRODUCTION OF GOLD IN THE BRITISH ISLANDS.

By J. CALVERT.

From his own exploration, from researches in various works, and from communications, Mr. Calvert stated that gold was found in forty counties in these islands, and over an area of 50,000 square miles. He thus classified the gold regions: The West of England, North Welsh, Mid-England, Northumbrian, Lowland, Highland, Ulster, and Leinster. The West of England region might be divided into three districts—Cornwall, Dartmoor, and Exmouth, or West Somerset. In Cornwall, the tin-streams, which were of the same composition as gold diggings, had long been known to contain nuggets and coarse dust, or hops of gold, but had only been slightly worked by Sir Christopher Hawkins, at Ladoch. The largest Cornish nugget was not worth more than about ten guineas. The Cornish districts were very rich in gold. The Dartmoor districts contained gold in its northern and southern streams. A miner, named Wellington, got about £40 worth of gold at Sheepston, and Mr. Calvert had obtained gold from the granite by this process. In the West Somerset were four companies for working gold ores. From 55 tons of Poltimore ores, 102 ounces of gold were lately reduced, being at the rate of 16 dwts. per ton, or twice the rate of the St. John del Rey ores. The West Somerset district probably embraced gold sites at Combe Martin and the Mendips. The North Wales district might embrace all the western counties of the principality. There were no reported river deposits, but gold ores had been worked at Carnhusian, Issco, Berthllwyd, Dolfrwynos, and other places. The Northumbrian regions embraced Alstone Moor, but the chief known gold-field was in Westmoreland and Cumberland. In the Goldscoop mine, gold had been found in the copper for ages, and he (Mr. Calvert) had discovered it in many of the ores and rivers of the district. He showed specimens from High Treby, Caldbeck Fells, the Buttermere and Crumwick-road, Borrowdale, Buttermere, Bassenthwaite, and a fine lump of gold gossan, which weighed originally 57 oz. The South of Scotland district had only been worked for its river deposits in Clydesdale and Kithsdale, but in his (the lecturer's) opinion it extended throughout the Lowlands. Gold was found in above forty brooks or gullies, and all of the miners have gold for sale, obtained in their holiday excursions. Mr. Calvert mentioned that in the manuscripts of Queen Elizabeth's time the diggers relied on keele, a reddish earth, as an indication of gold, and the miners do now. He had seen it also in Westmoreland, and had recognized it also in Australia and elsewhere. He found gold in the Lowther Burn, Long and Short Cleuch Burns, Mannock Water, Kepple Burn, Glengomar, Elvenwater, Goldscour, and at other places. At Wanlockhead he saw gold in the midst of the town. At one place the miners, two years ago, got gold, which at Glasgow they sold for 42*l*. Gold was reported in Perthshire, Fifeshire, Stirlingshire, and Linlithgowshire. The Highland gold regions were unexamined. Gold localities had been reported in Aberdeenshire and Sutherlandshire. The Wicklow diggings were only shortly referred to. It appeared, by returns obtained from the

Dublin goldsmiths, that the present supply of the peasantry was about 2,000*l.* a year. In Ulster, the peasantry work the *aura* or gold mountains in Antrimshire, and the *Mayola* streams in Londonderry yielded gold. The yearly produce of gold in these islands was now about 5,000*l.* a year, which might be largely increased. The number of gold-bearing streams known was one hundred. Gold has been found in nearly all the clay-slate districts. Many of these were worked in the Middle Ages, and probably also by the Romans. Gold, in ores, was found associated with silver, lead, copper, iron, and zinc; with quartz, granite, slate, oxide of iron, sulphate of iron. These ores have only been worked of late in Devonshire and Merionethshire. The river deposits were rudely worked by the miners or peasantry in Wicklow, Lanarkshire, Antrimshire, and Devonshire. The washing of gold-stuff in our home districts was very rude, and not equal to that in Australia, nor had there been for a long time any deep workings. Many rich gold ores were thrown away, and much metal was produced from which the gold was not refined. The only two gold-fields which had yet been worked had yielded considerable amounts—the Lanarkshire district from a quarter of a million to half a million, the Wicklow above 100,000*l.* The largest known nuggets were 3 lb. from Lanarkshire, and others of 2½ lb. from there and Wicklow. The importance of attending to this branch of the national resources was strongly urged. Mr. Calvert concluded by stating that he considered the clay-slate formations of Canada would soon be discovered to be a vast gold-field.—*Proceedings of British Association of Science*, 1853.

**BANK ROBBERY.**—A daring robbery was committed on Monday afternoon, October 31, at the Bank of the State of New York. Just before the close of banking hours, the porter of the bank was entrusted with two packages of bank notes, to be left with the Bank of Commerce and the Bank of the Republic. He placed them in a bag, and before taking them out, laid them, as he states, on a desk at least 12 feet inside of the counter, while he attended to receiving a deposit of specie. On returning to the desk a moment after, he missed the bag with its contents, and the money has not yet been recovered. One of the packages contained \$28,000 in 5's, 10's, 20's, 100's, 500's and 1,000's, marked letter A in red ink; and the other \$9,810, in 10's, 20's, 50's and 100's, marked letter L in red ink; all on the Bank of the State of New York; making a total of \$37,810—quite a little fortune, if honestly acquired. The bank offers a reward of \$5,000 for the recovery of the money, and in the same proportion for any part of it.—*N. Y. Jour. Com.*

**CIRCULATION OF ILLEGAL BANK PAPER IN ILLINOIS.**—The following law went into effect on the 1st of July. The banks which then receive or pay out any illegal or unauthorized bank paper, forfeit their articles of association, and the corporate companies their charter, &c. :

**SECTION 1.** No person or persons shall issue, pay out or pass, and no body corporate shall issue, pay out, pass or receive in this State, as money, or as an equivalent for money, any promissory note, draft, order, bill of exchange, certificate of deposit, or other paper of any form whatever, in the similitude of bank paper, circulating or intended to circulate as money or banking currency, that is not at the time of such issuing, paying out, passing or receiving, expressly authorized by some positive law of the United States, or of one of the United States, or of Canada, and redeemable in current gold and silver coin at the place where it purports to have been issued; and the burden of proving the existence of such law, and the redemption of the promissory note, bill of exchange, draft, order, certificate of deposit, as aforesaid, at the place of issue, shall rest upon the person or body corporate paying out, passing, receiving or issuing the same.

## BANK STATISTICS.

NEW ORLEANS, December, 1853.

THE bank returns for November, which we subjoin in a shape susceptible of ready comparison with the statement of the preceding month, show a largely increased movement on the part of each institution:

## Monthly Statement of the Condition of the New Orleans Banks.

## CASH LIABILITIES.

NAMES OF BANKS.	CIRCULATION.		DEPOSITS.		OTHER CASH LIAB'L.		TOTAL.	
	Nov.	Oct.	Nov.	Oct.	Nov.	Oct.	Nov.	Oct.
Citizens' Bank, . . . . .	\$690,810	\$892,185	\$1,108,617	\$762,760	\$ . . . .	\$ . . . .	\$1,799,427	\$1,064,925
Canal Bank, . . . . .	1,788,869	1,894,120	1,892,894	1,264,253	448,148	886,395	8,568,889	8,494,718
Louisiana Bank, . . . . .	1,572,899	1,614,014	8,049,170	2,990,665	400,980	817,984	5,092,549	4,992,618
Louisiana State Bank, . . . . .	1,668,590	1,808,010	8,467,798	8,275,463	568,378	624,961	5,739,691	5,708,493
Mechanics and Traders' Bank, . . . . .	....	....	1,881,897	1,476,288	858,812	....	1,885,409	1,476,288
Bank of New Orleans, . . . . .	152,770	64,060	784,118	488,405	8,013	640	884,896	508,105
Total, . . . . .	5,902,851	5,617,869	11,268,659	10,907,887	1,674,321	1,839,880	18,840,861	17,185,076
Increase, . . . . .	285,483	....	1,055,689	....	844,441	....	1,685,785	....

## CASH ASSETS.

NAMES OF BANKS.	SPECIE.		LOANS.		EXCHANGE, ETC.		OTHER CASH ASSETS.		TOTAL.	
	Nov.	Oct.	Nov.	Oct.	Nov.	Oct.	Nov.	Oct.	Nov.	Oct.
Citizens' Bank, . . . . .	\$857,804	\$629,195	\$1,572,166	\$995,492	\$ . . . .	\$ . . . .	\$ . . . .	\$ . . . .	\$2,439,470	\$1,624,597
Canal Bank, . . . . .	1,276,691	1,540,661	8,920,270	8,668,767	681,664	181,568	....	....	5,817,625	5,380,986
Louisiana Bank, . . . . .	1,804,025	1,922,899	8,850,071	8,994,047	708,669	971,060	1,900,000	1,900,000	7,477,165	7,398,006
Louisiana State Bank, . . . . .	1,992,744	1,885,807	8,667,183	8,651,886	71,888	18,561	944,000	944,000	6,675,259	6,499,104
Mechanics and Traders' Bank, . . . . .	867,607	577,649	1,808,524	1,688,749	....	114,273	159,000	159,000	2,823,081	2,477,670
Bank of New Orleans, . . . . .	881,119	169,810	749,715	496,683	45,888	95,745	170,000	....	1,304,923	751,687
Total, . . . . .	7,128,890	6,794,921	15,568,928	14,869,928	1,441,054	621,206	2,466,000	2,396,000	26,518,773	24,012,050
Increase, . . . . .	408,469	....	1,198,405	....	819,846	....	170,000	....	2,506,723	....

We have rarely seen a more satisfactory statement than the foregoing one. The increase in loans and exchange, both constituting a direct accommodation to the public, has been upwards of two millions, and in the space of two months it has reached three millions and a half, thus keeping pace with the commercial requirements, and preventing the money market from being subject to undue fluctuations. There is an increase in coin of \$400,000, and in deposits of \$1,055,000. The Citizens' Bank shows admirably for the short time she has been in operation. In the brief space of four weeks her circulation has increased nearly \$400,000; her deposits, \$350,000; specie, \$225,000, and loans, \$577,000. The Bank of New Orleans is also rapidly augmenting. Her circulation has increased \$90,000; deposits, \$300,000; specie, \$160,000, and loans, \$260,000. The Merchants' Bank has increased her discount line nearly \$200,000.

Our next statement will embrace the movement of the Southern Bank, which is to go into operation on Monday next, on which day the second instalment of \$250 on each share will be payable. The banking house on St. Charles-street has just been finished, and although the exterior presents no great architectural attractions, the interior has been fitted up with a view to comfort and business facilities. The Directors of the new institution are

John Egerton, Fred. Rodewald, G. Miltenberger, David Hadden, Louis Voly, J. L. Wibray.

The officers of the Bank are as follows:

John Egerton, President; Jas. L. Wibray, Cashier; D. Villars, Paying Teller; Chas. Livaudais, Receiving Teller; C. Philippi, General Book-keeper; J. M. Hoffas, Individual Book-keeper; M. C. Randall, Note Clerk; W. L. Randall, Runner; Theobald Forstall, Discount and Exchange Clerk; and Thomas Layton, General Assistant.

The capital of the Southern Bank is \$1,250,000, half of which has already been paid in, and the remainder is due on Monday. The institution goes into operation under excellent auspices, and will come in for a large share of the confidence and custom of the business community. Both the President and Cashier are gentlemen of ripe financial experience, keen business sagacity, and thoroughly familiar with the commerce of the city. As partners of the house of J. Corning & Co., which goes into liquidation this day, they have enjoyed high credit, and the reputation of being shrewd and intelligent merchants; so that it may be expected they will be fully competent to do justice to the more enlarged sphere before them. The main feature of this bank will be the foreign and domestic exchange business, which is to be conducted probably on a larger scale than that of any other institution.—*N. O. Picayune.*



## NEW YORK CITY BANKS.

Location.	Name.	President.	Cashier.	Capital, Jan. 1884.	Dividend Pay. Months.	Discount Days.	Dividends, 1882.	Dividends, 1883.
50 Wall-street, William and Beaver,	American Exchange Bank,	Samuel Willets,	Charles A. Meigs,	\$2,000,000	100 May, Nov.	Tu., Fri., 5	5	5
46 Wall-street,	Atlantic Bank,	Isaac Otis,	George D. Arthur,	400,000	100 not fixed,	Mon., Th.,	.	new.
80 Broad-street,	Bank of America,	George Newbold,	James Punnett,	2,000,000	100 Jan., July,	Tu., Fri., 4	4	4
86 William-street,	Bank of Commerce,	John A. Stevens,	Henry F. Vall,	5,000,000	100 Jan., July,	Tu., Fri., 4	4	4
48 William-street,	Bank of Commonwealth,	James B. Wilson,	George Ellis,	750,000	100	Tu., Fri.,	.	new.
44 Wall-street,	Bank of New York,	John Oohout,	Anthony P. Halsey,	1,500,000	100 Jan., July,	Tu., Fri., 5	5	5
Merchants' Exchange.	Bank of North America,	William F. Havemeyer,	Isaac Seymour,	1,000,000	100 Jan., July,	Wed., Sat., 8½	8½	8½
1 Wall-street,	Bank of the State of New York,	Cornelius W. Lawrence,	Reuben Withers,	2,000,000	100 May, Nov.,	Tu., Fri., 4	4	4
489 Broadway,	Bank of the Republic,	G. B. Lamar,	Jas. T. Soutter,	1,500,000	100 Feb., Aug.,	Tu., Fri., 8½	4	4
158 Bowery,	Bank of the Union,	James R. Del Vecchio,	Daniel R. Hitchcock,	800,000	100	Tu., Fri.,	.	new.
287 Broadway,	Bowery Bank,	Enoch Dean,	Nath. G. Bradford,	850,650	25 May, Nov.,	Mon., Th., 4	4	4
194 Bowery,	Broadway Bank,	Francis A. Palmer,	John L. Everett,	600,000	25 Jan., July,	Wed., Sat., 4	4	4
88 Chambers-street,	Butchers and Drovers' Bank,	Jacob Alma,	Benedict Lewis, Jr.,	600,000	25 May, Nov.,	Wed., Sat., 5	5	5
67 Chatham-street,	Central Bank,	Joseph R. Taylor,	Walter Oakley,	800,000	50 Jan., July,	Wed., Sat.,	.	new.
970 Broadway,	Chatham Bank,	Elias G. Drake,	W. S. Kirby,	450,000	25 May, Nov.,	Wed., Sat., 4	4	4
58 Bowery,	Chemical Bank,	John Q. Jones,	John B. Deadolt,	800,000	100 Jan., July,	Daily, 6	6	6
53 Wall-street,	Citizens' Bank,	Jay Jarvis,	Sylvester R. Comstock,	850,000	25 Feb., Aug.,	Tu., Fri., 4	4	4
13 Wall-street,	City Bank,	Gorham A. Worth,	Robert Strong,	1,000,000	100 May, Nov.,	Tu., Fri., 5	5	5
William and Beaver,	Continental Bank,	George Curtis,	William T. Hooker,	1,500,000	100 Jan., July,	Wed., Sat.,	.	new.
19 Third Avenue,	Corn Exchange Bank,	E. W. Dunham,	F. A. Platt,	600,000	100 Feb., Aug.,	Wed., Sat.,	.	new.
386 Broadway,	East River Bank,	David Banks,	William B. Ballow,	418,050	50 Jan., July,	Wed., Sat.,	.	new, 8½
37 Fulton-street,	Empire City Bank,	Edjah F. Purdy,	Leonard H. Church,	808,000	25 Jan., July,	Wed., Sat.,	.	8½
403 Hudson-street,	Fulton Bank,	John Adams,	William J. Lane,	600,000	80 May, Nov.,	Wed., Sat., 5	5	5
59 Barclay-street,	Greenwich Bank,	B. F. Wheelwright,	William Ilawea,	200,000	25 May, Nov.,	Tu., Fri., 5	5	5
Hanover Square,	Grocers' Bank,	Charles Denison,	Samuel B. White,	800,000	50 Jan., July,	Wed., Sat., new, 8½	8½	8½
295 Greenwich-street,	Hanover Bank,	William H. Johnson,	Thomas L. Taylor,	1,000,000	100 Jan., July,	Tu., Fri., 8½	4	4
Cox Division & Catharine,	Irving Bank,	John Thompson,	D. V. H. Berthold,	800,000	50 Jan., July,	Tu., Fri., 8½	8½	8½
Eight Avenue,	Island City Bank,	James O'Brien,	G. H. Nichols,	400,000	25	Tu., Fri.,	.	new.
45 William-street,	Knickerbocker Bank,	Joseph W. Savage,	John A. Gunn,	400,000	25 Jan., July,	Wed., Sat., new, 4	4	4
40 Wall-street,	Leather Manufacturers' Bank,	Fanning C. Tucker,	Thomas R. Aclty,	600,000	50 Feb., Aug.,	Tu., Fri., 5	5	5
90 Wall-street,	Manhattan Bank,	Caleb O. Halseid,	James M. Morrison,	2,050,000	50 Feb., Aug.,	Mon., Th., 4	4	4
	Marine Bank,	Thomas Williams, Jr.,	James C. Beach,	500,000	50 Feb., Aug.,	Tu., Fri.,	.	new.

8 Fulton-street,	Market Bank,	R. S. Williams,	R. H. Haydock,	\$450,000	100	Jan., July,	Tu., Fri.,	new,
88 Wall-street,	Mechanics' Bank,	Shepherd Knapp,	Francis W. Edmunds,	1,440,000	18	May, Nov.,	Wed., Sat.,	5 5 5
28 Wall-street,	Mechanics' Banking Association, Frederick Pentz,	John H. Cornell,	John H. Cornell,	682,000	25	May, Nov.,	Tu., Fri.,	4 4 4
898 Grand-street,	Mechanics and Traders' Bank,	John Clapp,	Ephraim D. Brown,	200,000	25	May, Nov.,	Mon., Th.,	6 6 6 7
196 Broadway,	Mercantile Bank,	William B. Douglas,	E. J. Blake,	800,000	100	Jan., July,	Tu., Fri.,	5 5 5 5
49 Wall-street,	Morgan's Bank,	John J. Palmer,	Aug. E. Stillman,	1,490,000	50	June, Dec.,	Wed., Sat.,	5 5 5 5
171 Greenwich-street,	Morgan's Exchange Bank,	James Van Nostrand,	Edward J. Oakley,	1,335,000	50	Jan., July,	Wed., Sat.,	4 4 4 4
108 Broadway,	Metropolitan Bank,	James McCall,	Henry Meigs, Jr.,	2,000,000	100	Jan., July,	Tu., Fri.,	4 4 4 4
24 Wall-street,	National Bank,	James Gallatin,	Frederick Dobbs,	750,000	50	April, Oct.,	Tu., Fri.,	5 5 5 5
Nassau and Beekman,	Nassau Bank,	Thomas McElrath,	R. A. Tooker,	500,000	100	Jan., July,	Wed., Sat.,	new, 4
173 Greenwich-street,	North River Bank,	M. O. Roberts,	Aaron B. Hays,	655,000	50	Jan., July,	Wed., Sat.,	5 5 5 5
Avenue D,	New York Dry Dock Bank,	David Palmer,	Fred. T. Hayes,	200,000	80	Jan., July,	Tu., Fri.,	4 4 4 4
178 Greenwich-street,	New York Exchange Bank,	S. Van Duser,	D. B. Halsted,	180,000	100	Jan., July,	Daily,	5 4 4 4
Cor. Fulton & Greenwich,	Ocean Bank,	D. Randolph Martin,	James S. Gibbons,	1,000,000	50	Jan., July,	Wed., Sat.,	4 4 4 4
311 East Broadway,	Oriental Bank,	Joseph M. Price,	W. A. Hall,	800,000	25	Jan., July,	Tu., Fri.,	new, 4
461 Broadway,	Pacific Bank,	William Tilden,	Jacob Campbell, Jr.,	422,700	50	Jan., July,	Mon., Th.,	4 4 4 4
178 Canal-street,	People's Bank,	John P. Yelverton,	G. De Angelis,	412,500	25	Jan., July,	Tu., Fri.,	3½ 3½ 3½ 3½
45 Wall-street,	Phoenix Bank,	Thomas Tilton,	Peter M. Bryson,	1,200,000	20	Jan., July,	Wed., Sat.,	4½ 4½ 4½ 4½
384 Pearl-street,	Seventh Ward Bank,	John W. Lawrence,	Alfred S. Frazer,	500,000	50	Jan., July,	Tu., Fri.,	4½ 4½ 4½ 4½
111 William-street,	Shoe and Leather Bank,	Loring Andrews,	Wm. A. Kinsam,	600,000	100	April, Oct.,	Tu., Fri.,	new, 4
6 Wall-street,	St. Nicholas Bank,	Edward J. Mallet,	R. S. Oakley,	500,000	100	Feb., Aug.,	Mon., Th.,	new, 4
88 Wall-street,	Suffolk Bank,	J. W. Rumsey,	M. M. Bradley,	250,000	50	Jan., July,	Wed., Sat.,	new, 4
177 Chatham-street,	Tradesmen's Bank,	William H. Falls,	Richard Berry,	400,000	40	Jan., July,	Tu., Fri.,	7½ 7½ 7½ 7½
84 Wall-street,	Union Bank,	Frederick Deming,	Daniel Ebbets,	1,300,000	50	May, Nov.,	Tu., Fri.,	5 5 5 5
Total Capital, January, 1854,				\$47,044,900.				

## JANUARY DIVIDENDS, 1854.

Bank of America, . . . 4	Continental Bank, . . . 4	Ketcherbocker Bank, . . . 3½	North River Bank, . . . 5	Phoenix Bank, (final), . . . 15
Bank of Commerce, . . . 4	East River Bank, . . . 4	Market Bank, . . . 4	N. Y. Dry Dock Bank, . . . 4	Seventh Ward Bank, . . . 4½
Bank of North America, . . . 3½	Empire City Bank, . . . 3½	Mercantile Bank, . . . 5	N. Y. Exchange Bank, . . . 4	Suffolk Bank, . . . 4
Butchers' and Drovers', . . . 5	Grocers' Bank, . . . 3½	Mercants' Exchange Bank, . . . 4	Ocean Bank, . . . 3½	Tradesmen's Bank, (per share of \$40), . . . 3
Central Bank, . . . 3½	Hanover Bank, . . . 3½	Metropolitan Bank, . . . 4	Pacific Bank, . . . 4	Bank of New York, . . . 4
Chemical Bank, . . . 6	Irving Bank, . . . 3½	Nassau Bank, . . . 4	People's Bank, . . . 3½	

*Exchange Bank of Virginia and Branches.*

LIABILITIES.	Oct., 1845.	Oct., 1847.	Oct., 1849.	Oct., 1851.	Oct., 1853.
Capital, . . . . .	1,726,800	1,808,800	1,826,800	1,904,800	2,517,900
Circulation, . . . . .	711,852	1,088,634	992,855	1,756,028	2,358,731
Individual deposits, . . . . .	732,545	661,696	722,954	845,251	1,005,577
Bank Balances, . . . . .	50,995	66,964	85,010	158,772	206,704
Undivided Profits, &c., . . . . .	186,502	153,880	168,426	229,310	247,199
Total, . . . . .	\$3,857,694	\$3,778,834	\$3,790,545	\$4,339,261	\$6,336,401
RESOURCES.	Oct., 1845.	Oct., 1847.	Oct., 1849.	Oct., 1851.	Oct., 1853.
Loans, . . . . .	2,429,630	2,750,716	3,041,916	3,802,675	5,356,008
" to State, . . . . .	248,045	201,740	111,900	146,406	....
Bank Balances and Notes, . . . . .	205,168	252,993	214,890	267,238	318,578
Real Estate, . . . . .	91,998	96,228	98,578	92,436	94,422
Coin, . . . . .	274,135	461,324	286,777	494,173	555,790
Miscellaneous, . . . . .	53,723	15,908	41,984	86,349	16,603
Total, . . . . .	\$3,857,694	\$3,778,834	\$3,790,545	\$4,339,261	\$6,336,401

## RECAPITULATION OF THE VIRGINIA BANKS.—October, 1853.

	Capital.	Circulation.	Deposits.	Loans.	Specie.
Bank of Virginia, . . . . .	2,681,800	2,207,000	1,786,000	5,431,000	828,000
Farmers' Bank of Virginia, . . . . .	3,100,900	3,064,000	1,893,000	7,184,000	960,000
Exchange Bank of Virginia, . . . . .	2,517,900	2,258,000	1,005,000	5,372,000	555,000
Bank of the Valley, . . . . .	1,202,500	2,018,000	592,000	2,398,000	488,000
North Western Bank, . . . . .	847,000	1,554,000	261,000	1,844,000	886,000
Bank Old Dominion, . . . . .	877,000	318,000	187,000	882,000	64,000
Merchants' Bank, . . . . .	261,000	188,000	42,000	250,000	38,000
Central Bank, . . . . .	221,700	216,000	81,000	198,000	40,000
Merchants and Mechanics' Bank, . . . . .	540,000	942,000	161,000	1,040,000	202,000
Total, . . . . .	\$11,699,800	\$12,760,000	\$5,908,000	\$24,044,000	\$3,556,000

All those are returns for the current year, except those of the Merchants and Mechanics' Bank at Wheeling. These are the items of November, 1852.

*Condition of the State Bank of Indiana.*

LIABILITIES.	Nov., 1846.	Nov., 1848.	Nov., 1850.	Nov., 1852.	Nov. 1, 1853.
Capital, . . . . .	2,083,824	2,082,910	2,082,950	2,083,008	2,150,107
Surplus Fund, . . . . .	418,560	527,800	750,878	871,116	979,200
Profits, . . . . .	33,890	125,454	131,860	197,204	211,977
Due other Banks, . . . . .	131,196	158,718	118,348	214,768	170,730
Sinking Fund, . . . . .	89,535	81,646	46,331	100,854	107,006
Individual Deposits, . . . . .	441,822	474,206	584,095	692,600	716,048
Circulation, . . . . .	3,836,583	3,553,210	3,421,445	3,720,220	3,634,766
Total liabilities, . . . . .	\$6,510,290	\$6,997,937	\$7,135,602	\$7,579,270	\$8,169,834
RESOURCES.	1846.	1848.	1850.	1852.	1853.
Loans, . . . . .	3,596,390	3,831,547	4,895,100	4,007,722	5,184,494
Banking Houses, . . . . .	849,790	893,076	864,233	161,266	153,718
Other Real Estate, . . . . .	....	....	....	158,180	107,936
Due from Eastern Banks, . . . . .	....	394,025	449,153	1,174,614	894,177
Due from other Banks, . . . . .	871,600	875,630	143,861	493,618	536,231
Notes, Checks, &c., . . . . .	338,554	378,607	580,875	555,854	415,773
Coin on hand, . . . . .	1,008,646	1,273,896	1,197,890	1,827,516	1,577,904
Stocks, Bonds, &c., . . . . .	455,810	312,106	....	....	....
Total resources, . . . . .	\$6,510,290	\$6,997,937	\$7,135,602	\$7,579,270	\$8,169,834

## MONEY MATTERS IN ENGLAND.

*From a Correspondent of the New York Courier and Enquirer.*

*London, Dec. 9, 1853.*

My opinion is that money matters have mended, are mending, and will continue to mend. My reasons are based solely upon the improved condition of the Bank of England. I will show the grounds for them, and your readers may judge for themselves.

In my former letters, I pointed out that the Bank is governed by three cardinal rules:

I. The increase or decrease in the stock of Bullion.

II. The excess of notes unused in the Bank till over and above what is requisite to meet the third part of her immediate liabilities.

III. The demand for discounts.

1853.	Bullion in the Bank of England.—In- sue Department.	Total immediate Liabilities.	Notes and Gold in Bank.	Surplus over one third.
Jan. 6, (a) . . .	£20,052,000	£22,984,000	£12,523,000	£4,862,000
Jan. 20, (b) . . .	19,151,000	21,570,000	10,404,000	3,214,000
June 2, (c) . . .	17,853,000	19,094,000	9,291,000	2,926,000
Aug. 27, (d) . . .	16,531,000	17,199,000	8,186,000	2,453,000
Sept. 8, (e) . . .	16,162,000	17,165,000	8,083,000	2,312,000
Sept. 10, . . .	15,866,000	17,533,000	8,008,000	2,150,000
Sept. 17, . . .	15,899,000	18,495,000	7,440,000	1,275,000
Sept. 24, . . .	15,065,000	19,008,000	7,744,000	1,408,000
Oct. 1, (f) . . .	15,081,000	20,066,000	6,830,000	152,000
Oct. 8, . . .	15,902,000	19,942,000	6,907,000	260,000
Oct. 15, . . .	14,679,000	17,776,000	5,608,000	280,000
Oct. 22, . . .	14,858,000	16,660,000	5,814,000	251,000
Oct. 29, (g) . . .	14,658,000	17,307,000	6,262,000	513,000
Nov. 5, . . .	15,047,000	17,562,000	7,951,000	1,197,000
Nov. 12, . . .	15,187,000	18,107,000	7,673,000	1,633,000
Nov. 19, . . .	15,150,000	18,925,000	8,227,000	1,519,000
Nov. 26, . . .	14,894,000	19,818,000	7,745,000	1,141,000

(a.) The Bank raised the rate to  $2\frac{1}{2}$  per cent. for discounts, but no one troubled himself about it; it was considered a mere trifle.

(b.) The Bank raised the rate to 3 per cent. for discounts, and every body laughed at the directors, and did not take any notice of the warning.

(c.) The Bank raised the rate to  $3\frac{1}{2}$  per cent. for discounts. On we went, never minding. There was California, and there was Australia, to put matters right, and who cared about it.

(d.) The Bank raised the rate to 4 per cent. for discounts, and an intelligent public began to rub their eyes, though their eyes were not opened.

(e.) The Bank raised the rate to  $4\frac{1}{2}$  per cent. for discounts, and we were keenly alive to the fact, that if the Bank found it requisite to raise the rate twice within eight days, that there must be great cause for it. Loans were called in; credits shortened; every man began to calculate his own means, and ceased to expect any assistance from his neighbor.

(f.) The Bank, at this juncture, seeing that the amount of surplus notes over and above the standard "one third" was being reduced to nothing, put up the rate to 5 per cent. as the only means of retaining sufficient to pay "the dividends" with, and the following returns will show that it was a tight squeeze to comply with the Government requirements, and yet to retain the standard "one third" of reserve.

(g.) At this season the demand for money to pay the quarterly dividends of the National Debt ceased, and the revenue collectors continued steadily to pay in the taxes, therefore we find the surplus increase.

Observe how the surplus had been increasing, and how steadily the bullion had been increasing up to the date of the last return, when that bird of ill-omen, the Emperor Nicholas, sold his Exchequer Bills, and drew the money out of this country in the form of gold. Nevertheless, this untoward event will not interfere with the steadily improving condition of the Bank, and I look for improving returns.

Having pointed out the working of the first and second cardinal rules of the Bank, I now come to the third, being the demand for discounts. Of course, if merchants *will* send in first class bills to the Bank, and request to have them discounted at five per cent., the Bank will do it, as the Bank in ordinary times does not get the best bills. But as soon as Lombard-street feels itself a little easier, and gets some slight return of confidence, then the bankers will want to use the piles of notes they are now sitting upon, and we shall have a sudden change.

We certainly have had a crisis; and yet it has been one without inflicting much damage. Money has advanced from two to five per cent., and it has brought with it a corresponding fall in the value of all securities, and yet I cannot call to mind a single failure. To be sure, the bankers have shown much caution and forbearance. "Money at call" has been practically rendered into, "pay it in fourteen days." Had it been otherwise, and had the demand been sharp, it certainly would have brought down many of that valuable class who use the spare money of the bankers.

---

## MISCELLANEOUS.

**TAXATION OF BANK SHARES.**—The Superior Court of Pennsylvania has decided, in an appeal from the District Court of Alleghany County, in which the county of Alleghany was plaintiff, that shares of bank stock are not subject to taxation for county purposes. The following is the decision of the court, as delivered by Judge Lowrie:

"The question here is, are shares of bank stock subject to taxation for county purposes? By the law of 1844, section 32, 'shares of stock in any bank' are made taxable for 'State and county purposes,' and section 33 prescribes the measure of the State tax and the mode of collecting it. But all this was changed by the law of 1850, regulating banks. By its section 21, the tax on dividends is considerably increased, and by section 26, a direct tax is added on the stock itself, with a proviso that the stock shall not be subject to taxation for any other purpose; and this provision remains in the supplementary law of 1852, pamph. L., p. 443, which repeals this direct tax; and the result is, that the 21st section of the act of 1850 is the only rule for taxing bank stock, and it is not taxable for county purposes. We cannot appreciate the distinction that would make the shares in the hands of the owners liable, while the capital stock is expressly exempt.

"And we can see reasons that justify the exemption of bank stock from all other than State taxes. The State needs this source of revenue for its own purposes, and it may not suit to leave it open to general taxation. Moreover, banks are not allowed to deal with their money as they please, and fix their own rates of discount; and with such restrictions on them, it might not be just to impose upon them the same burdens that can well be borne by the wealth that is unrestricted in the mode of its employment. Besides this, the burden of such taxation is very unequal, most of it escaping taxation by favoritism, concealment or carelessness."

**MAIL ROBBERY AND FRAUD.—CAUTION TO BANKERS.**—On Monday, November 7, an apparently plain, honest country-woman, some 40 years of age, professing to have come that morning from Lisbon, in this State, offered for sale in Exchange-street, a *Cashier's Check*, from the "Stock Bank, Indiana," on the Ocean Bank, New York, for \$652 38. She stopped over night at the Casco House, calling herself the wife of the man in whose favor the check was drawn, and whose name was endorsed upon it. Several persons examined it, among others, the cashier of one of our banks, all pronouncing the document itself genuine and beyond suspicion. On Tuesday a gentleman on Middle-street verbally authorized the purchase of said check *on his own account*. He also authorized the endorsement of the operator's name on it, and the money to be received from the Canal Bank. This arrangement was carried out, the above named Middle-street gentleman being out of the city until last Wednesday. During his absence, said check had been forwarded to the Ocean Bank, New York, and refused payment, as the cashier had been notified of its loss, and of the probability that it was stolen from the mail.

The police officers of Boston and New York were immediately notified of the facts from this city, with a minute description of the woman; but no intelligence has yet been received of her.

The most notable, and only agreeable feature of the case, however, is this: The above named gentleman (purchaser) returning to the city, and finding the check spurious, and not being obligated, *except by his word*, to hold the (city) endorser harmless, promptly and honorably adjusted the matter, giving the Bank the money advanced, and relieving the endorser.—*Portland Advertiser*.

**REVERSE OF FORTUNE.**—A lady, well known and long respected as an eminent teacher in this city, died at the advanced age of 80, a few days since, in the City Alms House. I knew this lady as the directress of a fashionable boarding-school, in this city. For twenty-five years she was very successful, and had accumulated \$50,000, which she invested in Fire Insurance Stock, in 1835. Her losses by the great fire, ruined her *fortune and prospect*, and too proud to apply to *friends*, she went to the City Alms House, where she has lived some years, and died as stated. This lady was highly educated, possessed polished manners, led an exemplary life, was a most useful member of society, had educated hundreds of young ladies, and yet doomed to die in an Alms House.—*Cur. New York Mirror*.

**PARIS MANUFACTURE.**—There is a number of large public establishments at Paris, employing workmen, the statistics of which could not properly have a place with the statistics of private industry. These establishments are the national manufacture of the gobelins, (carpets and hangings,) the manufacture of tobacco, the national printing office, the Mint, Stamp Office, the Bakery of the Army, the Bakery of the Hospitals, the Bakery of the Prisons, spinning establishments for the poor, (*filature des indigents*), prison workshops, the funeral establishments, the theatres. To these the third part is devoted, and completes this huge folio of 1,300 pages, the beautiful paper and printing of which put to shame the miserable specimens of "public printing" which disgrace our government, while they enrich the partisan contractor. The details given respecting these public establishments are very interesting, and some of them sufficiently curious.

**HEAVY ROBBERY OF GOLD DUST.**—Thirty boxes represented to contain gold dust, were recently shipped from San Francisco to this city, via Panama, consigned to the American Exchange Bank. Upon arrival here, they were forwarded to the mint for coinage, where it was ascertained that two of the boxes were filled with bullets and shot; an adroit robbery having been effected, probably when the boxes were *in transitu*. All of the thirty were originally of the same size and shape, and similarly branded; but it is supposed that two of them were abstracted, and others of similar exterior substituted in their places. Upon close examination, it was ascertained that the spurious boxes were a trifle larger, and that the brand was not a perfect imitation of the genuine. The property was all insured.—*N. Y. Journal Commerce*.

**PHOTOGRAPHIC FRAUDS ON THE BANK OF ENGLAND.**—A discovery has recently been made at the Bank of England which will cause, it is understood, a great change to be speedily effected in the character and general appearance of the notes issued by that corporation. It has just been ascertained, that by means of photography fac similes can be obtained, by a skilful operator, with the greatest facility; and that fraudulent copies of bank notes, thus obtained, would pass muster even with some of the most experienced judges. We are not aware by what means the suspicions of the authorities of the bank were originally excited on this important subject. It is stated, however, that they were first caused by one of these fraudulent notes having been exchanged for gold "over the counter," its spurious character having escaped the generally closely scrutinizing eyes of the cashiers in that department. Under the impression, from certain indications which manifested themselves on the note, that it had been fabricated by photographic agency, experiments were made by one of the most eminent and experienced photographers in the metropolis, (whose aid was called into requisition by the bank authorities,) when it was clearly proved, by the results of those experiments, that the spurious notes had been manufactured by the means suspected, viz., photography. So close was the resemblance between the spurious note (thus experimentally obtained) and the genuine one, (whence the copy was taken by the photographer alluded to,) that not only were the signature and private marks (the latter only known to the bank officials) imitated with the closest accuracy, but the very watermark itself, in all its integrity, was as clearly and closely defined as the other more prominent characteristics of the genuine document. The process adopted to produce these effects is well known to all photographers as the "wax paper process." The photographic thin negative paper, after having been prepared with wax, and then rendered sensitive by the usual method, (which need not be described here,) is then in a fit state to receive the impression from the genuine note; the printing, the signature and the watermark, (and, in fact, every mark, however minute, which appears on the face of the note,) being clearly and distinctly traced and defined. This is termed the "negative," and from this "negative," obtained by such an extremely simple method, when adopted by a skilful manipulator, "positives" (exact fac similes of the note itself) might be multiplied, by means of sun-printing, to any extent. We understand that the Directors of the Bank of England, in order most effectually to put a stop to the possibility of frauds being perpetrated to so inconvenient and alarming an extent, by photographic agency, have determined, as soon as the necessary arrangements can be effected, and with the least possible delay, to entirely alter the color of the paper on which their notes are produced, as well as change the color of the ink used in printing them, and substitute a widely different shade. From inquiries they have caused to be made, they have ascertained that if their notes be printed on a yellow tinged paper, in blue ink, it would be impossible to transfer fac similes to photographic negative wax paper, (rendered sensitive by being saturated with a solution of the nitrate of silver and other chemicals,) from which the imitations of the genuine notes are obtained. Another plan, to which the attention of the bank authorities may be called, and which would be equally efficacious in putting an end to the nefarious system referred to, would be to have a few words, or some ornamental device, struck off on the back of the genuine notes. These words or device, by the process of sun-printing, would all be transferred to the front of the imitation note, and thus the attempts of the fraudulent to plunder the unwary would be entirely foiled. As the vast majority of country bankers have some device or inscription on the reverse side of their notes, they (who issue notes of this description) are thus exempt from the possibility of those frauds being committed to their prejudice, to which the Bank of England is now so peculiarly liable.

**THE MINT.**—Mr. Snowden, Director of the Mint, has written to the editors of the Washington Union, in answer to an assertion of its correspondent, that the Mint was paying out gold bars on account of its inability to furnish coin, in which he says:

This is not true. Bars are only paid when required by depositors. This Mint is capable of coining any amount of bullion with which it may be supplied. Depositors

are paid as soon as their deposits are assayed, which is in one, two, or at farthest three days, and in any denomination of gold or silver coins, or in bars, as they may desire. The latter are preferred when the gold is intended for exportation, as the depositor saves the coinage charge, which is the half of one per cent.

"The Mint prefers paying in coin, but we keep on hand a large supply of bars as well as coin, in order to pay promptly every deposit.

"In the month of November we had in our vaults, at the following named periods, the following stated sums of money in coin and bars, ready to pay out beyond what was demanded, viz.:

	<i>Bars.</i>	<i>Coins.</i>	<i>Totals.</i>
Nov. 1, . . . . .	1,111,700	3,111,300	4,223,000
Nov. 10, . . . . .	173,400	3,234,600	3,457,700
Nov. 21, . . . . .	274,500	2,000,000	2,375,000
Nov. 30, . . . . .	440,300	2,450,300	2,906,000
Average on hand during month undemanded,	501,300	2,714,050	3,215,350

"Being thus ready to pay any amount of coin which may be required, what can be thought of the truth and veracity of any man who will state that the Mint pays out bars because it is unable to pay coin?"

**THE PERUVIAN DEBT AND RESOURCES.**—Quite an excitement was created in Lima by the arrest of Don Domingo Elias, one of the most influential men of the country, and at one time its Supreme Ruler against the party of the present President, for having published a letter in the *Comercio* of Lima, of the 12th of August, relative to the state of the Peruvian finances, in which he attempted to show that the country owed one hundred and fifty-one millions of dollars, which he makes out as follows:—

Debt to England.....	\$22,000,000
"    Chili.....	2,000,000
"    Colombia.....	8,000,000
"    Spain.....	15,000,000
Internal debt.....	24,000,000
Commercial balances, tobacco and treasury.....	20,000,000
For extra demands by Congress on consolidation fund.....	50,000,000
On the recall of money below the standard, (moneda feble).....	10,000,000
<b>Total.....</b>	<b>\$151,000,000</b>

To meet this great debt, Don Domingo Elias says, that the guano islands, which are the dependence of Peru, are unequal, and that the supply is only sufficient for about eight years. Don Domingo is the contractor for loading guano, and has, therefore, some right to give an opinion upon this subject. To this letter the President replied through the same channel, in a short letter, charging Don Domingo with a personal object in making such statements, and saying that he was interested in the recovery of a certain claim against the government. This brought out another letter from Don Domingo, in which he openly charged the President and his Cabinet with being privy to certain discreditable transactions in regard to claims, and alluding to conversations that had taken place between them.

**MERCANTILE CONFERENCE IN LIVERPOOL.**—At this great conference, held in the Cotton Sales-room on Friday, "to consider the state of Mercantile Law and the Judicial System of the United Kingdom," the Mayor presided. Deputations were present from London, Manchester, Potteries, Worcester, Bradford, Bristol, &c. Letters of approval were read from Chambers of Commerce, &c., in Belfast, Greenock, Southampton, Plymouth, Stockton, Dundee, and other places. The resolutions adopted were as follows:—1st. Moved by Mr. Thomas Berry Horsfall, seconded by Mr. Leicester, of London: "That the grievances under which the trade and commerce of this country labor, in respect of the anomalous state of mercantile law, and the imperfect working of the judicial system, demand immediate consideration; and, in order to insure the efficiency of any remedial measures, it is essential that they should be suggested or approved by the classes for whose benefit they are intended, and



by whose experience they ought to be tested; that, as the most important interests of the empire are now indissolubly associated with its commerce, whatsoever tends to interpose hindrances to the freedom and safety of its operations is contrary to all sound principle, and ought to be removed." 2d. Moved by Mr. Henry Ashworth, of Manchester, and seconded by Mr. Malcolm Ross, of Manchester: "That the efforts of the London Law Amendment Society, in the cause of the law reform, are gratefully recognised by the trading classes; and that the proceedings of the conference held in London, in November last, so far as relates to the assimilation and consolidation of the commercial laws of the United Kingdom, are formally approved and adopted by this meeting." 3d. Moved by Mr. Leone Levi, and seconded by Mr. Lang, of Bristol: "That, beneficial as the measures recommended by the London conference will prove to be when carried out, they do not provide a remedy for the more immediate and pressing evils of which the trading classes complain, and which are only partially touched by the provisions of the recent Common Law Procedure Act." 4th. Moved by Mr. Charles Holland, and seconded by Mr. Lyne: "That the remedial measures best calculated to put an end to the evils complained of, point to the establishment of permanent local courts, with compulsory powers and equitable jurisdiction, within towns and districts of certain extent, for the adjudication of all mercantile disputes, wherein the judges should consist, at least partially, of mercantile men, and the procedure be informal, after the example of foreign tribunals of commerce, whose workings in every country where established has been successful and satisfactory." An amendment was proposed by Mr. Harry Ashworth, and seconded by Mr. Malcolm Ross, but only three hands were held up in its favor. It was to this effect: "That arbitration in questions of account should be made compulsory; and that the modification of the existing tribunals, so as to adapt them to the exigencies of the general commerce of the country, would go far to remove the evils complained of." 5th. Moved by Mr. Cooze, of Bristol, and seconded by Mr. Lea, of Bristol: "That petitions to both houses of parliament, setting forth the substance of the foregoing resolutions, be prepared for the signature of the chairman and deputations." Mr. Ashworth moved a vote of thanks to the Mayor, and the proceedings terminated.

**AMERICAN TRADE WITH INDIA.**—The London correspondent of the *Philadelphia North American* says:

"The efforts made by enterprising American merchants to open a trade with India in cotton goods, has created some astonishment, as well as apprehension, in the minds of the Manchester men. A correspondence on this subject, received by the East India Company, has been transmitted to Mr. Hugh Fleming, for the use and information of the Manchester Commercial Association. It gives some interesting items of intelligence respecting a branch of trade opened up between America and Central Asia. The branch of cotton trade in which, it is stated, America can best compete with England, is in coarse fabrics. There is a heavy weight of low priced cotton and little labor, while the expense of transit, so severely felt by the British manufacturer, is saved by the American. The material, of which samples have been sent home, exported by American manufacturers to India, is a very coarse, unbleached fabric, such as in England is termed towelling, but which is sold to the natives of India under the name of sheeting. It is well suited to the wants of Asiatic communities. It is also stated that these fabrics are sent in ship-loads, with a supercargo accompanying them, who, in return, will receive such raw products as the natives can give, and will be likely to meet with a ready sale in the home markets. The Manchester Chamber of Commerce are taking the question into consideration, to see in what way they can compete with this trade in American 'domestics'."

**TREASURES SUNK AT NAVARINO.**—The *Official Gazette* of Savoy states, that an inhabitant of Chambéry has just quitted that place, to attempt, in concert with a company organized for that purpose, to save some contents of the vessels which were sunk at the battle of Navarino, particularly the admiral's ship, a three-decker, which it is said, had on board at the time she went down a sum of six millions of francs in gold. All the necessary apparatus has been embarked, a number of divers have been engaged, and in addition to the ordinary diving-bells, all the recent inventions for such purposes will be put in requisition.

## BANK ITEMS.

**NEW YORK.**—David Leavitt, Esq., and David Hoadley, Esq., having resigned their positions as President and Vice-President of the American Exchange Bank, have been succeeded by Samuel Willetts and William A. Booth, Esqrs.

**RHODE ISLAND.**—Shubael Hutchins, Esq., was, on the 5th December, elected President of the American Bank, Providence, in place of Stephen Harris, Esq., who declined a re-election.

**PENNSYLVANIA.**—John T. Smith, Esq., has been elected President of the Kensington Bank, in place of Jonathan Wainwright, Esq., who declined a re-election.

**Philadelphia.**—William Wainwright, Esq., has been elected President of the Commercial Bank of Pennsylvania, as successor to the late Jacob M. Thomas, Esq.

**Philadelphia.**—Thomas Allibone, Esq., has been elected President of the Bank of Pennsylvania, in place of the late Joseph Trotter, Esq.

**MARYLAND.**—C. C. Jamison, Esq., for thirteen years Cashier of the Bank of Baltimore, was on the 6th December elected President of that institution, in place of James H. McCulloch, Esq., who declined a re-election. Patrick Gibson, Esq., was at the same time elected Cashier of the Bank.

**VIRGINIA.**—The Monticello Bank at Charlottesville, went into operation in July last. Cashier, Alex. Pope Abell, Esq.

**The Norwich Forgeries.**—Mr. A. T. Pearce commenced the building business at that place about five years ago, with a limited capital. He was assisted during the first year by the indorsements of Sanford Stoddard, a rich resident in Ledyard. Mr. S. afterwards refused the use of his name, but it continued to appear on Mr. Pearce's paper, and passed at the bank without question, until a week ago last Tuesday, when the bank officers were invited to meet Mr. Perkins, the attorney of Pearce, who informed them that Mr. Pearce had failed, and made an assignment to secure, 1st, his workmen, 2d, the banks, and, 3d, his general creditors. They were also told that they held forged paper to the amount of \$84,828, divided as follows:

Merchants' Bank, . . . . .	\$68,944	Norwich Bank, . . . . .	\$6,000
Quinnobang Bank, . . . . .	29,574	Jewett City Bank, . . . . .	4,280
Uncas Bank, . . . . .	11,750		
		Total, . . . . .	\$84,828

In addition to this they have good paper to the amount of from \$80,000 to \$50,000. Pearce also owes store keepers, &c., in Norwich, some \$80,000, and the value of his assets are unknown. He is not supposed to have carried off a large sum of money with him. He employed over two hundred hands at Norwich, and about twenty at Ramapo, on the Erie Rail-Road.

**New York.**—The Committee of the Clearing House of this city have issued the following Circular respecting the closing of the Banks on Monday, January 2d, 1854:

NEW YORK, Dec. 8, 1853.

As Christmas and New Year's day this year come on Sunday, and as it has been the practice in former years among the Banks of this City to close on the Monday following, it has been suggested that the Committee should recommend a similar course this year. The Clearing House will therefore be closed on Monday, the 26th inst., and on Monday, 2nd January next.

On similar occasions in former years, the Banks have given notice that notes coming due on the Mondays referred to, would be payable on the Saturdays previous; and where notes were not paid on that day, they were given to the notary, with the express understanding that no fees would be charged where the parties were ready to meet them.

F. W. EDMONDS,  
JAMES PUNNETT,  
A. E. SILLIMAN,  
RICHARD BERRY,  
J. L. EVERITT, } Committee.

The following is the Statute of this subject, passed in the Session of 1849 :

*Law Relating to Bank Holidays.*—The following days, viz., the first day of January, commonly called New Year's day, the fourth of July, the twenty-fifth day of December, commonly called Christmas day, and any day appointed or recommended by the Governor of this State, or the President of the United States, as a day of Fast or Thanksgiving, shall for all purposes whatsoever, as regards the presenting for payment or acceptance, and of the protesting and giving notice of the dishonor of bills of exchange, bank checks and promissory notes, made after the passage of this Act, be treated and considered as is the first day of the week, commonly called Sunday.—[1849, ch. 261.]

*The Bank of Charleston.*—We deem it our duty, for the information of our legislators, at Columbia, to put on record our belief that it is equally the wish and the interest of Charleston, as well as for the interest of the State at large, that the Bank of Charleston should be re-chartered with an undiminished capital. We need at least one bank of large capital to act as a regulator of the other Banks and of the currency, and with ability also to relieve our community in periods of pecuniary embarrassment, as well as generally to extend our commercial facilities and promote the prosperity of the city and State. All these purposes we believe the Bank of Charleston to have faithfully and ably subverted; and we trust that no narrow-minded jealousy, nor selfish rivalry of other Banks, will be suffered to prevent a consummation so devoutly to be wished. The Bank of the State alone, founding the credit of its circulation rather on the faith of the State than its specie basis, cannot act as the required regulator; but, with the undiminished capital of the Bank of Charleston, the two acting together can accomplish, in the way both of regulation and relief, all that our State and city can desire. Nor is there any danger that the Bank of Charleston will abuse its power. Hitherto its action has been beneficent, and largely tributary to the best interests of the city and State, and, under its re-charter, the clause reserving to the Legislature the unlimited power of amendment will furnish an additional barrier, if any be necessary, against apprehended abuse.—*Charleston Courier.*

*St. Nicholas Bank.*—We noticed a new feature in Bank securities while examining the new vault of the St. Nicholas Bank, corner of Wall and New streets. This mammoth Safe, the largest in the United States, if not in the world, weighing 22,000 pounds, is constructed upon a new and different principle, hitherto unknown or applied in the construction of safes, being composed of a lattice-work of wrought-iron bars, firmly rivetted together, over which is cast a coating of liquid metal, forming a solid mass of chilled iron—without rivet or screw, seam or section, for the ingenious burglar to open or remove—and being perfectly fire-proof, the whole forming the most absolute protection from fire and burglary of any thing we have ever seen. This, though the largest, is but one among the hundreds furnished the banking community the last year by the World's Safe Company, manufacturers Lilly's patent. Morris & Bradley, agents, No. 119 Pearl street, New York.—*N. Y. Times.*

*The Small Note Law.*—Absalom Morris, David F. Davis, and William F. Lawson, Esqs. (of Ohio,) through their lawyer, D. H. Hazen, Esq., entered suits against the following corporations for violations of the small note law. The penalty is \$500 for every note issued, one half of which goes to the informer. We give below the number of notes sued, and the amount of the penalties.

The Pennsylvania Rail-Road Company—77 notes, penalty \$38,500.

The Citizens' Deposit Bank—6 notes, \$3,000.

The Allegheny Savings Fund Company—14 notes, \$7,000.

The Ohio and Pennsylvania Rail Road Company—62 notes, \$31,000.

The Cleveland and Pittsburgh Rail-Road Company—15 notes, \$6,500.

Total amount of penalties—\$86,000.

A precept has been filed against the Farmers' Deposit Bank, but no declaration has been made.—*Pittsburgh Gazette.*

This law was passed two years ago, but has hitherto remained a dead letter through the public necessities, and the force of public opinion. Lately, however, an effort has been made to enforce the law. All the brokers decline to pay them out in future, and

the Ohio and Pennsylvania Rail-Road has given orders to its agents and conductors not to pass any notes of a less denomination than five dollars.

*The Savings Bank at Baltimore.*—A run was made on the Savings Bank of Baltimore on Saturday, the 17th December, in consequence of some foolish reports which had been started relative to the solvency of that institution. The directors, instead of closing at 1 o'clock, as usual, or of refusing, according to the terms of their charter, to refund without a week's notice, met promptly every depositor, asking no questions, and continued until a late hour in the evening to settle up and balance accounts with all applicants who presented themselves.

The amount of deposits held by it are over \$3,000,000, and we have never seen a stronger exemplification of its wide-spread usefulness than in the character of some of its depositors as assembled around the bank on Saturday. Many of them, to outward appearances, might be supposed to be almost penniless, but their deposit book showed that they had formed the nucleus of a fund that will doubtless, with the habits of industry and economy acquired in its accumulation, lead them to substantial prosperity. Thousands of our citizens, many of whom are now in affluent circumstances, trace their success to their early savings accumulated under the auspices of the institution, which is now, as it always has been, under the control of prudent, efficient and upright officers and directors.

One of the original causes of this excitement, was an imprudent publication made some weeks since relative to the new building being erected for the bank on the corner of Second and Gay streets, accompanied with charges against its officers and directors of wasting the funds of the institution. We have heard of one instance of a poor man who had accumulated over \$300, on the strength of this publication drew it out, and, under the excitement, took to drink, entirely squandering in three weeks the savings of three years. With regard to this new banking house, we happen to know that it is being built from a surplus fund which has been accumulating for many years, having been originally set aside for this object, and that it can in no way interfere with the regular dividends of the bank, as has been supposed by some of its depositors.

## Notes on the Money Market.

NEW-YORK, DECEMBER 31, 1853.

*Exchange on London, at sixty days' sight, 109½ @ 109¾ premium.*

We are glad to record an improved condition of the money market, as compared with four and five months since, although not so easy as at the commencement of the year 1853.

The minimum rate for money at present is seven per cent. outside the banks. The tables published in this number, show that the banks are doing all that they can towards relieving the community. The loans of these institutions have increased to \$90,115,000, against \$32,882,000 in November last, showing an addition of above seven millions of dollars, which is an important change. This, added to the fact that commercial transactions are materially lessened in amount, when compared with those of July and August last, will show that essential relief is now experienced by our business men.

The dividends declared and made payable by our banks, insurance companies, &c., and the large amount of interest due at this season on State, city, county and rail-road loans, will in a few days add further to the relief of the community, and we anticipate a material decline in the rates for money within sixty days from this time.

Foreign exchange has assumed a better shape. Sterling bills, bankers' signatures, have declined to 9½, without any heavy demand. This rate will obviate the shipments of any large sums in coin to Europe.

The fluctuations in our stock market this year have been greater than in London. Rail-road and coal company stocks have suffered more than any others. This year has been a severe test to

the holders of such securities, as well as to the ability of the old and new companies, to withstand the heavy pressure that has existed in the money market. The new and expensive lines of rail-roads that have been undertaken in Pennsylvania, Ohio, Kentucky, Virginia, Missouri and other States, have not been seriously interrupted by the pressure for money. These improvements are making steady progress, and will ere long contribute largely to the development of the mineral and agricultural resources of those States and of their neighbors.

In our next number we propose to furnish a careful and copious survey of the stock movements of the year 1858. We consider the decline now represented as a merely temporary one. The time is not far distant when the holders of government securities, and of the great mass of State, city, rail-road and other loans, will reap a profitable advance upon current market values. The decline has resulted mainly from causes existing solely in this city—we allude to the new law of this State, which demands a weekly exhibit of the condition of the city banks. The curtailment of loans from ninety-seven to eighty-two millions, within a short period, operated as a severe check upon commercial and financial movements, to four or five times that amount. Hence the fall which is observed in nearly every stock or loan offered in the market.

Looking to the London market, we see that the decline in English three per cent. consols during the year has been about ten per cent. The highest quotation being in April last, one per cent. premium, and the lowest, (in October last,) 91½.

It is somewhat remarkable, that in the face of prominent events in Eastern Europe within the past four months, the market values of English securities are improving, or rather that they are better now than in October last.

In order to exhibit the changes that have taken place in the English money market during the last fifteen months, alongside of the fluctuations of the New York stock market, we now furnish the highest and lowest quotations of those stocks in the London market that indicate the true condition of money affairs, viz.: Bank of England shares, three per cents. reduced, three per cent. consols, new three and a half per cents., long annuities, South Sea Stock, and Exchequer Bills.

The annexed table shows the highest and lowest prices for each month, from November, 1852, to November 1, 1853, and the closing prices at the latest dates:

1852.	Bank Stock.	3 Per Ct. Red.	3 Per Ct. Cons.	New 3½ Per Ct.	Long Ann. 1860.	India Stock.	South Sea Stock.	Exch. Bills, £1,000.
Nov. . .	{ 224½ 221	{ 100½ 99½	{ 101½ 100½	{ 104 102½	{ 6½ 6½	{ 277 274	{ 112½ 111	{ 78 pm. 69 "
Dec. . .	{ 224 222	{ 101½ 100½	{ 101½ 100½	{ 104½ 103½	{ 6½ 6½	{ 277 277	{ 111½ 111½	{ 73 " 68 "
1853.								
Jan. . .	{ 228½ 228½	{ 101½ 99½	{ 100½ 99	{ 104½ 103	{ 6½ 6½	{ 274 271½	{ 111 110	{ 73 " 57 "
Feb. . .	{ 228½ 226½	{ 100½ 99½	{ 99½ 99½	{ 103½ 103	{ 6½ 6½	{ 271½ 266	{ 111 110½	{ 58 " 15 "
March, .	{ 228½ 227	{ 100½ 100½	{ 100½ 99½	{ 103½ 103½	{ 6½ 6½	{ 267½ 265	{ 110½ 109½	{ 18 " 6 "
April, .	{ 228 225	{ 100½ 99½	{ 101 100	{ 103½ 102½	{ 6½ 6	{ 262½ 261	{ 116½ 112½	{ 11 " Par.
May, . .	{ 220½ 226	{ 100½ 99½	{ 100½ 100½	{ 103½ 102½	{ 6 5½	{ 264 261	{ 116 112½	{ 6 pm. 8 da.
June, . .	{ 220 220½	{ 99½ 99	{ 100 98½	{ 102½ 101	{ 6 5½	{ 264 260	{ 114 114	{ 8 pm. 1 da.
July, . .	{ 220½ 227½	{ 99½ 98½	{ 98½ 97½	{ 102 101	{ 6 5½	{ 259 255	{ 116 115½	{ 5 pm. 9 da.
August, .	{ 229 227½	{ 99½ 97½	{ 98½ 98½	{ 101½ 100½	{ 6 5½	{ 259 256	{ 116 115	{ 2 pm. 8 da.
Sept. . .	{ 228 227	{ 98½ 97½	{ 97½ 92	{ 101 100	{ 6 5½	{ 250 240	{ 115 114½	{ 1 pm. 15 da.
Oct. . .	{ 219 213	{ 91½ 90½	{ 98½ 91½	{ 92½ 92½	{ 5½ 5½	{ 250 246	{ 113 111	{ 5 pm. 13 da.
Dec. 10, .	219	95½	95½	97½	—	250	—	—

Although there is a fall of about 6 per cent. in consols, between November, 1852, and December 1853, it will be seen that prices are much better now than they were in October last.

The business done in American securities in the English market during the past twelve months, has been very heavy. We annex the closing prices of the 16th December, for such loans as were in the market.

United States 6 per ct. bonds, 1868, . . . . .	110½ a 111
do. 6 per ct. stock, 1867-'68, . . . . .	110 a 110½
Pennsylvania 5 per cts. stock, . . . . .	88 a —
do. 5 per ct. bonds, 1877, . . . . .	95 a 97
Maryland 5 per ct. st'g bonds, . . . . .	95 a 97
Virginia 6 per ct. bonds, 1886, . . . . .	98½ a 99½
Boston City 5 per cent. bonds, 1883, . . . . .	109 a 108
Boston City 4½ per cent. bonds, . . . . .	85 a 86
Montreal City 6 per ct. bonds, '57-'65, . . . . .	90 a —
New Orleans 6 per cent. bonds, 1893, . . . . .	92½ a —
Belvidere, Delaware 6 per ct. 1st mort. con. '77, . . . . .	92 a 93
Cincinnati and St. Louis 7 per ct. 1st mort., . . . . .	89½ a 90½
Chicago and Mississippi 7 per ct. 1st mort., . . . . .	90 a —
Pennsylvania Central R. R. 6 per ct. 1890, xd, . . . . .	108 a 104
New York and Erie 7 per ct. 1st mortgage, '68-'69, xd, . . . . .	94 a 95
New York and Erie 7 per cent. 2d mort., '59, . . . . .	90 a —
New York and Erie 7 per ct. 3d mort., '33, . . . . .	86 a 88
New York and Erie 7 per ct. convertible, '62, . . . . .	

The exports of specie from New York to foreign ports for five years past were as follows:

	1849.	1850.	1851.	1852.	1853.
January, . . . . .	\$123,563	\$90,861	\$1,266,281	\$2,868,958	\$747,679
February, . . . . .	106,851	278,708	1,007,669	3,561,548	1,121,020
March, . . . . .	86,506	173,087	2,368,861	611,994	592,479
April, . . . . .	87,691	290,407	3,482,182	900,266	767,055
May, . . . . .	373,916	741,735	4,506,135	1,884,898	2,162,487
June, . . . . .	596,411	880,484	6,462,867	3,556,355	3,364,283
July, . . . . .	188,352	1,518,080	6,004,170	2,971,499	3,934,612
August, . . . . .	859,888	1,441,796	2,673,444	2,985,683	1,188,973
September, . . . . .	836,884	1,083,918	3,490,143	2,122,495	1,344,193
October, . . . . .	1,830,518	1,431,823	1,779,707	2,452,301	4,757,973
November, . . . . .	634,898	905,394	5,033,996	809,813	3,355,775
December, . . . . .	141,973	1,308,760	5,663,235	1,180,305	3,113,781
Total, . . . . .	\$4,803,450	\$9,982,948	\$43,743,909	\$25,096,255	\$26,735,236

The cotton market exhibits steadiness in prices, and an active demand abroad and at home. The following table exhibits the weekly sales of cotton at New York, from September 1st to December 31st, 1853, with the prices for the same period.—Freight to Liverpool, and exchange on London and Paris, at New York.—The quotations of exchange apply to what are termed Bankers' Bills:

1853.	Sales.	Middling Uplands.	Middling Orleans.	Freight to Liverpool.	Exchange on London.	Exchange on Paris.
September 6,	10,000	10½ a 11½	11½ a 11½	7-82 a ½d. per lb.	9 a 9½	5-15 a
" 18,	4,000	"	"	"	9½ a 9½	5-18½ a 15
" 20,	6,000	10½ a 11½	11 a 11½	"	9 a 9½	5-15 a
" 26,	10,000	"	"	"	"	5-15 a 5-18½
October 4,	7,500	"	"	"	9½ a 9½	5-12½ a
" 10,	4,500	"	"	"	9½ a 10	5-12½ a
" 18,	8,000	10 a 10½	10½ a 10½	"	"	"
" 24,	5,000	9½ a 10	9½ a 10½	"	9½ a 9½	"
November 1,	16,424	10½ a	10½ a	"	9½ a	"
" 7,	6,140	10½ a	10½ a	"	9½ a 9½	"
" 15,	10,502	10 a	10½ a	"	"	"
" 21,	8,236	10½ a	10½ a	"	9½ a 9½	"
" 29,	11,068	10½ a	10½ a	"	9½ a 9½	"
December 2,	10,780	10½ a	10½ a	½d. per lb.	9½ a 10	"
" 13,	16,710	10½ a	10½ a	2-16 a 7-32d. per lb.	9½ a 9½	5-18½ a
" 19,	14,195	10½ a	10½ a	"	"	5-18½ a 15
" 27,	11,886	10½ a	10½ a	½d. a " per lb.	9½ a 9½	5-15 a
" 31,	3,929	10½ a	10½ a	5-16d. a " per lb.	"	"

As compared with previous years, the prices in Liverpool are more favorable, as is exhibited in the following summary :

*Current Prices at Liverpool, December 16th, with those of 1852 and 1851.*

	1853.	1852.	1851.
Bowed ordinary, . . . . .	4½ a 5½	4½ a 5½	3½ a 4½
middling, . . . . .	5½ a 6	5½ a 5½	4½ a 4½
fair, . . . . .	6½ a 6½	5½ a 5½	5 a 5
good fair, . . . . .	6½ a 6½	5½ a 5½	5½ a 5½
good, . . . . .	6½ a 7	6 a 6	5½ a 5½
O leans and Mobile, . . . . .			
ordinary, . . . . .	4 a 5½	4½ a 5½	4 a 4½
middling, . . . . .	5½ a 6½	5½ a 5½	4½ a 4½
fair, . . . . .	6½ a 6½	6½ a 6½	5½ a 5½
good fair, . . . . .	7 a 7½	6½ a 6½	5½ a 5½
good, . . . . .	7½ a 7½	6½ a 6½	5½ a 6
ch. gin'd marks, . . . . .	7½ a 8½	7 a 8	6½ a 7½
Surat ordinary, . . . . .	2½ a 8½	3 a 8½	2½ a 8½
middling, . . . . .	3½ a 8½	3½ a 4	3½ a 8½
fair, . . . . .	3½ a 8½	4½ a 4½	3½ a 8½
good fair, . . . . .	4½ a 4½	4½ a 4½	3½ a 8½
good, . . . . .	4½ a 5	4½ a 4½	4 a 4½
Sea I. st. and sawgin'd, . . . . .	5 a 18	6½ a 16	5 a 9½
ordinary, . . . . .	11 a 18	20 a 21	11 a 12
middling, . . . . .	14 a 15	21½ a 22	13½ a 13½
fair, . . . . .	16½ a 17½	23 a 23	14½ a 15½
good fair, . . . . .	19 a 21	24 a 24	16 a 16½
good and fine, . . . . .	22 a 29	25 a 26	18 a 23
Pernambuco, . . . . .	6½ a 8	6½ a 7½	5½ a 7½
Demerara, . . . . .	6½ a 12	7 a 18	6½ a 8½
Egyptian ordinary to fair, . . . . .	5½ a 6½	6½ a 7½	5½ a 6½
do. good fair to fine, . . . . .	8 a 14	9 a 16	7 a 9
West India, . . . . .	6 a 9	6½ a 9	6 a 7½

## DEATHS.

At Fredericksburg, Va., in the seventy-eighth year of his age, HUGH MERRICK, Esq., President of the Branch Bank of Virginia, at that place.

At Utica, N. Y., B. BLECKER LANSING, Esq., Cashier of the Onondaga Bank, Utica, during the last fourteen years.

At Baltimore, on Tuesday, December 20th, THOMAS MERRITT, Esq., aged seventy years, President of the Commercial and Farmers' Bank of Baltimore.

At New Bedford, on Friday, December 30th, JOHN AVERY PARKER, Esq., aged 65, for many years past President of the Merchants' Bank, New Bedford.

THE  
BANKERS' MAGAZINE,  
AND  
Statistical Register.

VOL. III. NEW SERIES. FEBRUARY, 1854.

No. VIII.

THE FINANCES AND RAIL-ROADS OF TEXAS.

WHILE Missouri, Tennessee, New-York, and other States, have entered with much warmth into one or more schemes for a great trunk rail-road to connect the commerce of the Pacific and Atlantic, and Congress has before it a plan for a similar undertaking, the State of Texas has come forward with an act to sustain, liberally, any Company that shall carry such a measure to completion from the Gulf of Mexico to the Pacific.

We have received from Austin, the capital of Texas, a copy of the new bill, entitled "An Act to provide for the construction of the Mississippi and Pacific Rail-Road." The act was finally passed by both Houses of the Legislature by a large vote. It provides for a liberal grant of land to the Corporation that shall undertake the construction of the road.

Sec. 1. Grants twenty sections of land, of 640 acres each, for each and every mile of said road: limiting the course from any point on the boundary line of Texas, not north of Fulton, in Arkansas, to a suitable point on the Rio Grande, at or near El Paso.

Sec. 2. A right of way is granted for said road through the public domain, of 360 feet in width, with all timber, &c., adjoining and requisite for the continuation of the road.

Sec. 3. Limits the rails to not less than 64 pounds to the yard; fifty miles to be finished in eighteen months after the contract, and one hundred miles every year thereafter.



Sec. 4. The Governor authorized to issue advertisements, inviting proposals for the construction of said road. Such proposals to be filed before the 20th of April next, in the office of the Secretary of State.

Sec. 5. The Governor authorized to select, on or after May 1st, such bids as shall, under all the circumstances, offer the best assurances of the completion of the road by the contracting parties.

Sec. 6. Charter granted to such contracting party for the period of ninety-nine years.

Sec. 7. The Company to maintain a rail-road from the Mississippi to the Pacific, by forming connections with such other companies as they may deem proper.

Sec. 8. The capital stock shall be "twenty millions of dollars," and may be increased to such sum as shall be essential for the construction of the road.

Sec. 9. The Company authorized to borrow money upon their bonds, with power to mortgage the road to secure the payment of such bonds, and the interest thereon.

Sec. 10. Authorizes trials before the District Court and in Justices' Courts, in all disputed cases of damages for land taken from individuals for the use of the road.

Sec. 11. The Company to keep the road in good repair, with suitable carriages, &c. (*No penalty stated for failure.*)

Sec. 12. The Company, within sixty days after the contract, to deposit with the State Treasurer \$300,000, as a guarantee that fifty miles or more of such road shall be constructed within eighteen months, such fund to become the property of the State in case of non-execution of the contract.

Sec. 13. Authorizes the survey of the lands through which the first fifty miles of the road shall pass, and the grant of patents to the Company for lands "thirty miles on each side of the same," and further, for all distances beyond the first fifty miles, as fast as finished.

Sec. 14. All the vacant lands of the State east of 103 degrees longitude, and between the parallels of latitude 31 and 33 degrees north; also, all west of 103 degrees longitude, and between latitude 30½ and 32 degrees north latitude, shall be reserved from sale until the said road is located.

Sec. 15. In case the Company fail to complete the said road according to contract, all incomplete portions and parts shall revert to the State.

Sec. 16. The Governor authorized, in such case of forfeiture, to contract with other parties for the completion of the road.

Sec. 17. An appropriation made to pay preliminary expenses for the execution of this law.

#### *State Finances.*

We have received the State Treasurer's Report showing the revenues and expenditures of Texas for the past two years, leaving a balance of above three millions of dollars on hand, viz.:

*The Receipts and Expenditures of the State of Texas, in available means, from the 31st of October, 1851, to the 31st of October, 1853, are as follows:*

## RECEIPTS.

From ordinary sources of revenue, such as taxes, &c.....	\$156,370 27
From Government of the United States, in 5 per cent. bonds.....	5,000,000 00
Premium and interest on the above bonds to 1st January, 1852.....	510,850 10
Refunded by Government of the United States on account of the advances by the State.....	8,094 12
Means in the Treasury on the 31st of October, 1851.....	25,890 68
Total.....	\$5,701,205 17

## EXPENDITURES.

On account of expenditures of the State.....	\$584,387 51
On account of debt of the late Republic.....	1,113,544 64
Transferred from State revenue to county revenue.....	1,371 08
Amount of State bonds destroyed and United States bonds substituted, as per Act of February 16, 1852.....	36,000 00
Leaving, on the 31st of October, 1853, a balance of.....	\$3,965,301 94

*Estimate of Receipts and Expenditures for the fiscal year ending October 31st, 1854.*

## RECEIPTS.

Amount of Taxes, &c., due prior to 1854.....	\$48,000 00
Interest on United States bonds now in the Treasury, from January, 1853, to October 31st, 1854.....	327,708 33
	\$375,708 33
Balance in the Treasury on the 31st of October, 1853, as above shown,	3,965,301 94
Total estimated means for the support of the Government for the year ending October 31st, 1854.....	\$4,341,010 27

## EXPENDITURES.

Legislative Department.....	\$75,000 00
Executive ".....	40,500 00
Judicial ".....	37,850 00
Miscellaneous expenses.....	25,364 00
	\$178,714 00
Due on appropriations for support of the State for 1853 and previous years.....	98,623 37
Due for the payment of the public debt.....	348,685 08
Amount of public debt now audited, including that which will probably be audited up to the 1st of February, 1854, under Act of Febru- ary, 1853.....	100,000 00
	\$726,022 35
Leaving in the Treasury, on the 31st of October, 1854, an estimated balance of.....	\$3,614,987 92

The taxable property throughout the State of Texas has increased in value during the last eight years, but more especially within the last three years. The increase in this period has been at a rate seldom known, being almost one hundred per cent., affording unmistakable evidence of the prosperity and growth of the country. The following table presents the aggregate property for each of the last eight consecutive years, commencing with 1846 and terminating with 1853, with the increase per cent. for each year:

<i>Year.</i>	<i>Aggregate Tax. Prop.</i>	<i>Increase Tax. Prop.</i>	<i>Increase each year.</i>	<i>Per Ct.</i>
1846.....	\$34,391,175	.....	....	..
1847.....	37,563,505	\$3,171,330	1847 over 1846	8½
1848.....	43,812,537	6,250,032	1848 " 1847	16½
1849.....	46,241,589	2,429,052	1849 " 1848	5½
1850.....	51,814,615	5,573,026	1850 " 1849	12 2-5
1851.....	69,739,581	17,924,966	1851 " 1850	33½
1852.....	80,754,094	11,014,513	1852 " 1851	16½
1853.....	99,155,114	18,401,020	1853 " 1852	23

The Legislature of Texas convened on the 7th of November, and on the same day Governor Bell delivered his annual message. He says nothing of the Texas debt. The treasury contained \$3,966,175 68, independent of \$80,265 belonging to the General School Fund. The estimated number of acres comprising the public domain of Texas, after deducting all known claims, is 102,747,301 acres.

In reference to the issue of five millions of dollars further to Texas, the Secretary of the Treasury says:

"Attention is also called to the \$5,000,000 balance of the \$10,000,000 agreed to be given to Texas in the settlement of the boundary of New Mexico, and not yet issued, but retained under the proviso to the boundary bill. The late administration decided, that all the stock of Texas mentioned in that proviso must first be released to the United States before the stock could be issued, and the present administration determined not to disturb that decision. The consequence is, that the creditors of Texas remain unpaid, although many are willing to file their stock and release all claim on the United States, and receive the proportion of the \$5,000,000 accorded to them by Texas, while the United States, with abundant means to pay, cannot do so, and the debt remains liable to a claim for interest, which, under the act, could not well be refused."

The opinions of Attorneys General CRITTENDEN and CUSHING agree that Texas is not entitled to this further issue until all the creditors execute a release.

## COUNTY BONDS FOR RAIL-ROAD SUBSCRIPTIONS.

## ARE THEY SAFE INVESTMENTS?

THE attention of Eastern capitalists has for some two or three years been turned to the species of rail-road securities known as county bonds. These have been issued largely by various counties in Ohio and Kentucky, Missouri and other States, in conformity with the legislative acts authorizing their issue, and in conformity with the votes of the people. These bonds, when legally issued, are a good security, and entitled to the confidence of capitalists, but their market value is not such as it should be. They are equally binding upon the people as the State bonds are; and the interest due upon them is regularly met. We find, however, upon reference to our stock tables, that the county bonds of Fayette, Bourbon, and Mason counties, in Kentucky, are rated at 86 to 88 per cent., while Kentucky State Sixes are quoted at  $106\frac{1}{2}$  to  $107\frac{1}{2}$ . Those of St. Louis County, Missouri, are worth only 95, while the State bonds are 102 a 103. The market value of the county securities is somewhat affected by the disputes and litigation that have arisen in Ohio, as to their validity.

A letter from a New England banker, in reply to an application for a loan upon Kentucky county bonds as collaterals, says:

"The securities are entirely unknown here, and are of a class which our banks have rarely taken. If county bonds are all right, and have a price in the New York market, they will do well enough; but the history of county bonds in Ohio proves that they may be avoided by showing an informality in the vote authorizing their issue, or some other flaw, and we prefer not having any thing to do with them."

The question of the legality of county bonds has been brought before the courts of various States, and their validity has been fully established. The laws authorizing such issues have been invariably accompanied by a provision to the effect, that such action shall be preceded by the vote of the people of the county, and that a majority of votes should be secured. In a majority of cases the indebtedness is made more secure by a vote to create such a tax as will, beyond question, and specially, provide for the payment of the annual interest that shall accrue upon the bonds. These county subscriptions rarely exceed \$150,000 for one county, and the assessments are always such as to secure the punctual payment of interest and the eventual payment of the bonds.

To test the validity of such county subscriptions, a case was brought before the Supreme Court of Ohio in January, 1852, in which an injunction was prayed for by certain citizens of Wyandotte County, to restrain the county authorities from issuing bonds to the extent of \$50,000, as voted for to the Ohio and Indiana Rail-Road Company. The court, after hearing arguments on both sides, declared those issues to be valid and binding contracts.

In pursuance of this decision, bonds have been issued to sundry rail-road companies by the counties of Franklin, Greene, Stark, Richland and numerous others, as well as by the cities of Pittsburgh, Alleghany

Covington, Steubenville, Marietta, &c., in aid of numerous rail-roads that have been projected and fully completed.

Such is the estimation in which these issues are held, that no difficulty has been experienced by the companies in securing contracts for such work, payable in a large proportion in county and city bonds. The interest on these loans is punctually met by the regular agents of the respective parties at New York and elsewhere, and thus far the plan has worked admirably for the benefit of the rail-road companies, and the people at large, who were directly interested in the success of these important undertakings.

The following is the official report of the case decided before the Supreme Court of Ohio, published in the Columbus papers. The points are strongly stated and impregnably fortified.

The State of Ohio on the relation of the Cincinnati, Wilmington and Zanesville Rail-Road Company *vs.* The County Commissioners of Clinton County.—*Mandamus*.—RANNEY, J., held,

1. It is the right and duty of the judicial tribunals to determine whether a legislative act drawn in question in a suit pending before them, is opposed to the constitution of the United States, or of the State, and if so found, to treat it as a nullity.

2. In such a case, the presumption is always in favor of the validity of the law; and it is only when manifest assumption of authority and a clear incompatibility between the constitution and the law appears, that the judicial power will refuse to execute it.

3. The General Assembly, like the other departments of government, exercise only delegated authority; and any act passed by it not falling fairly within the scope of "legislative power," is as clearly void as though expressly prohibited.

4. The power of the General Assembly to pass laws cannot be delegated by them to any other body, or to the people.

5. The act of March 1, 1851, to authorize the commissioners of said county to subscribe to the capital stock of the relator, does not delegate legislative power or contravene the constitution of 1802, in providing that the subscription shall not be made until the assent of a majority of the electors of the county (except two townships) is first obtained at an election held for that purpose.

6. It was competent for the legislature under that constitution to construct works of internal improvement on behalf of the State, or to aid in their construction by subscribing to the capital stock of corporations created for that purpose, and to levy taxes to raise the means; and by an exercise of the same power, to authorize a county to subscribe to a work of that character running through or into such county, and to levy a tax to pay the subscription.

7. Such a tax, when thus authorized, is not beyond the legitimate scope of local, municipal taxation; nor is it opposed to art. 8, sec. 4, of the constitution, declaring that "private property ought and shall ever be held inviolable, but always subservient to the public welfare, provided a compensation in money be made to the owner."

8. The taxing power for such purposes, under that instrument, was an undeniable legislative function, to be exercised at the discretion of the General Assembly, and subject to no limitation but that against poll-taxes; and while this court is unanimous in the opinion that such laws involve a gross abuse of that power, it possesses no authority to control that discretion, or to correct such abuses by the exercise of a veto power on such legislation.

9. A majority of the electors of Clinton county having decided in favor of the subscription, and the same having actually been made before the adoption of the present constitution; and the commissioners having elected in pursuance of said act, to deliver the bonds of the county to the company in payment of the subscription, and become bound to do so, and afterwards refusing on demand to deliver them, and showing no cause for such refusal except the act aforesaid, was of doubtful constitutionality, a writ of mandamus is the proper remedy to enforce the delivery.

10. This writ lies in all cases where the relator has a clear legal right to the performance of some official or corporate act by a public officer or corporation, and no other adequate, specific remedy.

Peremptory mandamus awarded.

---

## WHAT OUGHT MONEY TO BE ?

Communicated.

WE were interested in looking over the *Bankers' Magazine* for November, which lately came under our notice, to observe, under the title above, another proposition for "*The improved System of Currency and Banking*," presented by Mr. FRANCIS BENNOCH, Deputy of Cripplegate Ward, London, to the British Association for the Advancement of Science, at their meeting lately held at Hull, England.

This fact is indicative of a great event of the future: the relinquishment of all the present ideas of the world on the subject of money, the abandonment of gold as the substance of money, and its subjection to its proper position—use in the arts. Like all the previous great changes in human affairs, this has begun to be anticipated and appreciated by the few; it will gradually receive the assent of others, and soon the truth will be generally received and adopted in practice, and the world will then wonder that so obvious a fact, and so easily demonstrated a position, was not sooner discovered and accepted.

The position of Mr. Huskisson, which is the basis of the bullion theory and of the present English law, that "it was the essence of money to possess intrinsic value," is treated by Mr. Bennoch as a mere hypothesis; its truth is denied, and the very opposite position is assumed to be true, and it is attempted to construct, theoretically, a currency, the essential element of which is, that it has *no* intrinsic value, but merely the *value of use*.

Mr. Bennoch can hardly have supposed himself to be the discoverer of the theory and plan he advocates. He should be too well read upon the subject to have adopted that conclusion, for both in England and America similar propositions, based upon the same general principles, have been made, varying only in the element of each, which constitutes the *measure of value*. The primary use of money is to *measure value*, and all theories for its construction must therefore involve an adaptation to that end. Mr. Bennoch makes *taxation* the measure of value, by making it the rule for the creation of the currency: the Westminster Review makes *interest* the measure. Mr. Gray, in his celebrated lectures at Edinburgh, makes *labor*, at a *fixed* legal rate, the measure, and Mr. Opdyke makes *population* the measure. All their theories are identical in their main elements, and differ only in their *measures* of value, all of which are practicable, but one of which is probably to be preferred, or possibly some other may be discovered, still better than any yet suggested.

It is, we think, unfortunate that Mr. Bennoch, after having projected "an imperial or national money," should have proposed to add to it another, which he denominates "commercial money," the whole effect of which would be to injure the national currency, and prevent its accomplishing the purpose intended. His object was, probably, to furnish a substitute for domestic Bills of Exchange, which now perform a function of money in England, and are extensively in use. His "commercial" money has also the bad feature which attaches to *our* currency; it gives the banker *two interests* for capital, and is, therefore, a direct incitement to expansion, the consequent contraction and fluctuation of price, which is the radical evil of the present system of convertible currencies in America and in England.

It is remarkable, also, that Mr. Bennoch did not discover the *double fallacy* of Mr. Huskisson's position. The one "that it was the essence of money to possess intrinsic value," he apprehends and rejects; the other, that gold, as money, has any intrinsic value, that is, a value aside from its use as money, seems to have escaped him. This latter fallacy is equally great with the former, for if Mr. Bennoch's theory were *accepted by the world*, gold would immediately decline in price to the level of silver, or even below it, as less useful in the arts, and both would become of comparatively little value. The value of gold, instead of being *intrinsic*, as is assumed by Mr. Huskisson, a value independent of its use as money, and which he assumes to be the *reason* and not the *result* of its use, is not intrinsic at all; the idea of *intrinsic* value is an absurdity, and, therefore, his position is a mere hypothesis both in principle and in practice.

To the great majority of your readers, these assumptions that gold has no *intrinsic value*, that it is a miserably poor article to be used as money, fit only for the barbarous ages when it was first adopted, that all our present ideas on the subject, gold, which move the world with so vast a power and induce such multitudes of men to abandon home and country and project themselves into the wilds of California and Australia, are not only erroneous, but that they involve us in much of the pecuniary misery which afflicts modern society, will seem, as did the assumptions of

Gallileo, Columbus, Fulton and Morse, to their cotemporaries, mere idle fancies of an addled brain, of no possible value. But when they consider that the theory of Mr. Bennoch was soberly presented to the British Association, by arrangement made the year previous with Mr. Hancock, Professor of Political Economy in the University of Dublin, they may possibly deem them worth consideration. Especially we of New York should understand and appreciate the fact, that we have among ourselves GEO. OPDYKE, Esq., the author of "a Treatise on Political Economy," "especially prompted by the author's desire to disseminate his peculiar views on the subject of money;" a work of more value as a treatise on that science than any in our language, which should be made the text book of our colleges, instead of the poor compound of European ideas which now occupies that position, and be carefully studied by all who desire to understand the subject; a fact probably known and appreciated by but few of us, much to our discredit as a community.

PAR.

### LOST BANK BILLS.

It has long been a curious point in the statistics of banking, as to what is the percentage of loss on (or virtual destruction of) bank bills. Formerly the amount was greater than at present. Bank notes circulated at far greater distances from their places of issue than they now do. In the war of 1812-15 there were known to be large amounts lost, either by fire and by sinking of vessels, and by various casualties.

The State Bank of Indiana, whose charter will soon expire, has issued a circular addressed to the numerous banking institutions, with a view to obtain information as to the average loss of bank bills in a series of years. The resolution adopted by the State Bank of Indiana was as follows:

*Resolved*, That the Cashier of the State Bank be authorized and directed, during the next vacation of this Board, both by correspondence and personal conference, so far as practicable, with the former officers of banking institutions in this country, which have closed their business after completing their chartered existence, to ascertain and report to this Board, at its next session, a just and safe per centum of substituted circulation to be issued to the respective branches of this bank, for the amount of the paper of the bank believed to be actually lost by circulation or otherwise.

Banking institutions generally are in possession of few facts that will elucidate this matter, and it would be difficult to ascertain the percentage or loss of Bank notes, in consequence of fire and other accidents.

The Catskill Bank, New York, after a business of thirty years, ascertained that about fifteen thousand dollars of their circulation had not been presented for redemption, nearly all of which is probably gone beyond recovery, and of course a clear gain to the institution, as well as a



loss to the holders. This loss of \$15,000 occurred between the years 1813 and 1843, or up to the adoption of the registry law. Sufficient time has therefore elapsed to show that this amount at least has been destroyed. The ordinary circulation of the bank is \$200,000.

The Mechanics' Bank of Baltimore has been in business forty-seven years, with a circulation ranging from \$300,000 to \$600,000, its present average being about \$428,000.

The following statement shows the loss of bank bills of the Mechanics' Bank of Baltimore in a series of years, and after a lapse of thirteen to thirty-three years:

<i>Bills issued.</i>	<i>Fifties.</i>	<i>Twenties.</i>	<i>Tens.</i>	<i>Fives.</i>	<i>Small notes.</i>	<i>Post notes.</i>	<i>Total.</i>
1806-1807,.....	..	\$100	\$130	\$555	..	..	\$785
1808-1817,.....	..	320	460	15,095	..	..	15,875
1817-1821,.....	..	..	..	850	\$1,695	..	2,545
1822,.....	..	..	..	280	..	..	280
1823,.....	..	..	10	150	..	..	160
1824,.....	..	20	60	305	..	..	385
1827,.....	\$50	100	300	500	..	\$1,250	2,200
1828,.....	..	160	50	440	..	..	650
1829,.....	..	..	80	105	..	..	185
1831,.....	..	..	130	405	..	..	535
1833,.....	..	..	200	355	..	..	555
1834,.....	..	..	80	245	..	..	275
1835,.....	..	140	100	..	..	..	240
1836,.....	..	..	..	305	..	..	305
1837,.....	..	..	..	35	..	..	35
1838,.....	..	..	..	190	..	..	190
1839,.....	150	180	280	380	..	..	990
Total in 33 years,....	\$200	\$1,020	\$1,830	\$20,195	\$1,695	\$1,250	\$26,190

It will be seen that the loss above stated was mainly during the period of 1808-17. It is a curious fact, that \$15,000 of the bills of this bank were sent to the Canadian frontier, during the "late" war (1812-13), to pay the United States troops, which are supposed to have been lost in the River St. Lawrence. These were five dollar bills.

The sum of \$20,000, issued by the Union Bank of Maryland, was sent at the same time, for the same purpose, all of which shared a similar fate.

Of the above sum of \$26,190, the denominations were as follows:

Fifties,.....	\$200	Fives,.....	\$20,195
Twenties,.....	1,020	Small notes,.....	1,695
Tens,.....	1,830	Post notes,.....	1,250

The \$1,250 Post notes of the Mechanics' Bank, dated in 1827, were issued to a gentleman travelling to the west to buy land. He is supposed to have been lost in a steamboat on the Mississippi River. Neither he nor the bills have been heard of since.

The present circulation of the Mechanics' Bank of Baltimore, dated in 1844, is as follows:

<i>Denomination.</i>	<i>Amount.</i>	<i>Denomination. —</i>	<i>Amount.</i>
One thousand,.....	\$17,000	Tens,.....	\$72,750
Five hundred, .....	24,500	Fives,.....	70,960
One hundred,.....	68,000	Ones,.....	59,317
Fifties,.....	39,250		
Twenties,.....	50,220	Total,.....	\$401,997

The ones were issued under an act passed March 10, 1842, providing for the resumption of specie payments by the banks; and supplement thereto passed at December session, 1844.

The above statement would show a loss of about \$794 per annum, or (assuming the average circulation as \$300,000) about one quarter of one per cent. This is a larger per centage in lost bills than is generally sustained. The period covers the years of the war with Great Britain, 1812-15, when bank bills were used in lieu of specie for government payments, and when bills of exchange were less in use than at present.

**PERUVIAN PUBLIC DEBT.**—During the last week of December, some very important facts relative to the Peruvian Debt have been made known, and which cannot be too widely circulated in monetary circles. The internal debt of Peru, which in 1851 amounted to about \$5,250,000, has been surreptitiously increased to \$23,000,000. It is not, however, so much the creation of this enormous amount of internal debt that so much concerns the English Peruvian Bondholder, were it not that an attempt has been made to throw a great portion of its debt upon the European money market. In order to effect this, the Peruvian government have actually authorized \$9,000,000 of this *internal* debt to be converted into 4½ per cent. bonds of *foreign* debt; of this sum it is said nearly \$5,000,000 belong to the concoctors of the scheme. These bonds have been placed in the hands of Messrs. Uribarren & Co., of Paris, for negotiation, and in which Messrs. Murrieta & Co., of London, are said to be greatly interested—a statement which we believe has not been contradicted by that firm. The dividends on this new stock are to be paid in London, through the agency of Messrs. Murrieta & Co., in January and July. It is the introduction of this new stock upon the English market that has justly raised the indignation of the holders of the bonds issued upon the original *foreign* debt of Peru, and lately converted from a six to a four-and-a-half per cent. stock by Messrs. C. J. Hambro & Son. There is some ingenuity in fixing the rate of interest the same on both description of bonds, though that of Messrs. Hambro & Co. is made payable in March and September. The sinking fund of Messrs. Hambro & Sons is 2 per cent. per annum, while that of Messrs. Uribarren & Co. is 1 per cent. It is also important to know that the bonds of Messrs. Hambro & Co. have received the special sanction of Congress, while the others are founded upon an internal debt, created in a most questionable manner, and which may at any time be repudiated by a decree of any future Congress. It must not be overlooked in this newly proposed scheme, that the Executive have taken upon themselves to pledge the sum of £99,000 of the guano revenue for Messrs. Uribarren's Converted Loan, while Congress has assigned only \$120,000 per annum to meet the charges on the internal debt.—*London Bankers' Circular.*

## NEW YORK STOCK FLUCTUATIONS FOR 1853.

QUOTATIONS.	Jan. 15, 1852.	Jan. 1, 1853.	Feb. 1, 1853.	March 1.	April 1.	May 1.	June 1.	July 1.	Aug. 1.	Sept. 1.	Oct. 1.	Nov. 1.	Dec. 1.	Dec. 31.
United States Six per Cents., 1865,	109½	110½	120½	120½	120½	119½	120	121½	121½	122½	122½	123	120½	120½
Ohio Six per Cents., 1860,	109	109½	119½	108½	108½	108	109	107½	107½	107½	107½	105	105½	105½
Pennsylvania State Fives, Coupon,	89½	99½	105½	104½	104	104	100	101	101	100	100	99	92	92½
Kentucky Six per Cents., 1871,	106	112½	111	109½	108	109	110½	111½	107½	106	106½	102	107	106½
Indiana Five per Cents.,	84½	103	101½	99	97½	98	98	98½	98½	98	99	97	97½	98
Erie Rail-Road Sevens, 1863,	109	115½	111	117	118½	116	117½	114	117	113½	115½	110	110½	114
" " 1859,	103	107½	111	107½	106	105½	109	108½	107	108½	108½	99	102	106½
Erie Income Bonds, 1855,	90½	101½	98½	97½	97½	99½	99½	100	96	95	95½	93	95	97
Erie Convertible Sevens, 1871,	90½	101½	98½	97½	94½	88½	99½	98½	96	92	91½	87	90½	92½
Hudson River Sevens,	105	109½	106½	105½	106½	107½	108½	109	105½	105	105	102	102½	108½
Hudson River Second Mortgage,	91½	103½	100	98½	99	101	103	100½	101½	100	100	95½	101	98
Southern Michigan Rail-Road Bonds,	90	100	101½	101½	101½	102	103½	105½	104½	104	102½	99	98	98
Ocean Bank, New York,	100	106½	103½	103½	102½	102½	105	102½	102	100	99½	96	94½	95
Mechanics' Bank, New York,	121½	130½	131½	135	131	133	137	141	140	141	139½	131	131	132
Bank of Commerce, New York,	108	112½	108½	108½	107½	108	109½	107½	109	107	106½	101½	106½	104½
Bank of America, New York,	109	120	110½	105½	110½	110½	114½	113	113½	113	114½	114	115½	116½
Bank of State of New York,	108	109	109½	108½	108	109	107½	110½	109	109½	108½	104	103	106
Delaware and Hudson Canal Co.,	99½	130	126	125	120	123½	125½	120½	120	118	118½	104½	109½	104½
Canton Company, Baltimore,	67½	116	119	123½	29½	82	81	29½	29	28½	28½	24½	26½	26½
Farmers' Loan and Trust Co.,	73	107	105½	104½	104	103	109	110½	109	108	106	101	102	102
Morris Canal Co.,	14½	21½	21½	21½	21½	23	22½	20½	19½	16½	16½	14	15½	15½
Erie Rail-Road shares,	78½	93	90½	87½	85	90	88½	80	77½	74½	77½	73½	77½	78½
Hudson River Rail-Road shares,	66½	75½	70	66½	63½	73½	73½	72½	71½	68½	70½	65	96	67½
Reading Rail-Road shares,	56½	98	85	91	89	91	88½	92½	87½	84	82½	73	75½	79½
New York and New Haven R. R. shares,	113	115½	116	111	110½	112	107½	107½	108½	105½	104	96	102½	101
Norwich and Worcester R. R. shares,	50½	58	51	51½	53½	57½	57½	56½	58½	53½	53½	51½	56	60
Harlem Rail-Road shares,	65½	73	70	67½	66½	65½	65	65	61	56	58	51½	64½	58½
Michigan Central Rail-Road shares,	113½	105	106½	107½	107½	114½	117	116½	110	110½	111½	106½	106½	109
Michigan Southern Rail-Road shares,	134	125½	125	125	125	131	135	141	125	125	121	116	125	129
New York Central Rail-Road shares,	—	—	—	—	—	—	—	122	116½	115	114½	110	115½	118½
" " Bonds,	—	—	—	—	—	—	—	—	—	—	94	92½	92½	92½

Panama Rail-Road shares,	140	184½	182½	125	120	120½	122½	115	108	95	87	99½	96
Long Island Rail-Road shares,	16½	31½	37½	39	39½	37½	35½	32	31	27½	80	80½	80½
Stonington Rail-Road shares,	50	57½	56½	57½	56½	56½	56½	55½	63	68	61	65½	65½
Cumberland Coal Co.,	—	66½	66	54	50½	51	48½	38½	42	37½	34½	36	35½
Parker Vein Coal Co.,	—	67	75½	40	36½	34	32½	20½	19	18½	10½	10	7½
Neargna Transit Co.,	—	36	36½	34½	31½	33½	29½	26½	23½	24½	22	25½	27½
Sixth Avenue Rail-Road,	—	120	119	120	117½	116½	118	116	109½	105	99	104	98

It will be seen that few shares now maintain the quotations current twelve months since. The market at that period opened with much buoyancy, accompanied by comparatively easy rates for money, both on stocks and on business paper. The market decline in the year is seen in Parker Vein Coal Co. shares, nearly 87½ per cent. Cumberland Coal Co. nearly 50 per cent., Panama Rail-Road from 140 to 96. State Securities have also declined. The decline in Delaware and Hudson shares was felt in September. Bank shares are less in request than early last year; but the leading rail-road shares keep up to nearly the quotations of January, 1853.

In government securities the demand throughout the year 1853 has been steady, the Treasury Department having given orders in July and August last for the purchase of portions of the six per cent. United States loan of 1867-8, at twenty-one per cent. premium, adding interest to the time of redemption. In Ohio six per cent. of 1860 the decline in the year was four per cent.; in Pennsylvania five per cent. the decline was seven per cent.; in Kentucky six, six per cent.; Indiana five, three per cent. This decline was one that pervaded every description of stock in the market, owing to the reduced bulk of loans by the New York banks between July and November, 1853. There is no doubt that these various loans will soon recover their former position, as they must continue in demand for banking purposes, and their intrinsic value is beyond question at this moment. There is no dread, on the part of capitalists, of any deficit in State revenues, or of any failure on the part of any one State to pay, punctually, the accruing interest on their bonds. It is satisfactory to observe that, in the London market, there is a continued and steady (although limited) demand for United States State loans. Their character and value are now better appreciated in the European markets, and while we see the loans of South American and some few European States falling in public estimation at London, the loans of our own States are becoming more available and more readily negotiable in the hands of foreign capitalists.

The decline observable in rail-road securities during the past year is owing entirely to the same causes that have temporarily affected State loans. The experience of the year, in rail-road management, has tested satisfactorily the value of their loans as investments. The monthly and annual reports of these companies exhibit cotemporary and prospective revenues that will serve to make these great undertakings profitable in the course of a few years. We allude especially to the business of the Hudson River and Erie Rail-Road Companies, and that of the New York Central Rail-Road, Baltimore and Ohio Rail-Road, and other long lines of rail-road communication, which, considered problematical at the time of their conception, are now found to be not only sources of profit to the shareholders, but works that confer a vast benefit upon the whole community. The fall in the value of New York and New Haven Rail-Road shares is owing to the heavy losses entailed on the company by the dreadful accident on that road in May last.

Upon reference to the tables of Massachusetts bank stocks, we find that prices have been better sustained there than with us, although such shares in Boston and other New England cities do not, on an average, pay dividends equal to those of New York and Philadelphia. It is found that the new bank shares in New York are not so well sustained as the older ones. The difficulties of the money market have, in a large measure, affected the operations of the new institutions, and thereby seriously curtailed their sources of profit. We look forward to a better state of things in the approaching months of February and March, when the money market will be restored to its equilibrium, and the minimum rates will decline to five or six per cent.

## FLUCTUATIONS OF THE BALTIMORE STOCK BOARD DURING THE YEAR 1853.

SHARES.	Jan. 15.	Feb. 15.	Mar. 15.	Apr. 15.	May 15.	June 15.	July 15.	Aug. 15.	Sept. 15.	Oct. 15.	Nov. 15.	Dec. 15.	Jan. 15, 1854.
Maryland 6 per cent., 1870, . . . . .	109	—	106½	103	103	107	107½	108	108	107	107	108	109
Do. do 1890, . . . . .	109½	109½	109½	—	109	107½	108½	109	109½	108	—	109	110
Do. 5 per cent. sterling, . . . . .	109	—	110	110	109	—	—	—	—	—	—	—	—
Virginia 6 do. . . . .	—	106	—	—	—	—	—	—	—	—	—	—	—
Baltimore 6 per cent., 1860, . . . . .	105	106	—	104	—	—	—	—	—	—	—	—	—
Do. 6 do. 1870, . . . . .	106½	107½	—	105½	106	107	107½	—	105	—	—	104	103
Do. 6 do. 1890, . . . . .	107½	109½	108	106½	108	108½	108	105½	106	104½	102	104½	105
Do. 5 do. . . . .	98½	95	95	91½	93	100	92	—	—	—	—	—	—
Baltimore and Ohio R. R. shares, . . . . .	93	91	83½	82½	80	72½	71½	62	61	55½	57½	55½	64
Do. do. bonds, 1875, . . . . .	98½	98½	95½	96½	97½	95	95	90	91	—	57½	90	91
Parkersburg R. R. shares, guaranteed, 1878, 100	—	—	108½	105	104	—	103	100	100	101	—	—	—
Merchants' Bank, . . . . .	110½	112	113	113	118	116½	118	112	118	118	118	116	115
Bank of Baltimore, . . . . .	101½	102	99½	100½	102½	100	100	100	102½	108	102	102½	108
Union Bank of Maryland, . . . . .	74½	74½	74½	74½	75	77	75	75½	75½	75	76	77½	73
Farmers and Merchants' Bank, . . . . .	41	41½	41½	35	37	39	40	39½	40½	39½	39½	40½	41
Commercial and Farmers' Bank, . . . . .	41½	—	40	—	—	—	—	—	—	40	—	—	—
Marine Bank, . . . . .	80½	80½	81	80	80	80½	80½	81½	81½	81½	80	80½	81
Farmers and Planters' Bank, . . . . .	23½	23½	23½	23½	23½	29	27	29	29	28	28	28½	29
Chesapeake Bank, . . . . .	25	25	25	26	24	—	—	25	25	—	—	—	26
Western Bank, . . . . .	21½	21½	21½	21½	21½	21½	21½	21½	21½	22	22	22	23
Mechanics' Bank, . . . . .	19	19	18	18½	18½	18½	18½	19½	19½	19½	19	19	19
Franklin Bank, . . . . .	12½	12½	12½	12½	12½	13½	13½	13½	13½	13½	13½	13½	14
Citizens' Bank, . . . . .	10½	10½	10	10½	10½	10½	10½	10½	10½	10½	10½	10½	11
Baltimore and Susquehanna R. R., . . . . .	80½	81	83	80	80	—	28	—	—	—	—	—	28
Canton Company, . . . . .	118	123	*81	28½	81½	—	28½	—	28½	—	—	—	30
Baltimore Gas Company, . . . . .	115	118	117	117	119	—	118	120	120	120	120	120	120

The sales of Baltimore and Ohio Rail-Road shares during the year were 164,859, viz.: 88,955 for cash and 125,784 on time. Total amount of sales, \$10,752,966, or an average for the whole year of about \$65 80 per share. The lowest price was \$42 50 on the 21st October, a short time prior to the Act of City Councils, authorizing the further guarantee or aid of five millions to the Company.

\* Reduced shares.

## STATE FINANCES.

## 1. PENNSYLVANIA.

THE message of Governor Bigler to the Legislature of Pennsylvania, dated January 4, 1854, exhibits the finances of the State in a favorable light. His summary is as follows :

At the time of his induction into office, December, 1851, the liabilities of the State were as follows, to wit :

Six per cent. bonds.....	\$2,314,023 51
Five per cent. bonds.....	36,704,458 03
Four and one half per cent. bonds.....	198,200 00
Relief notes, per act of May, 1841.....	650,163 00
Certificates for unpaid interest on the public debt, for the years 1843, 1844 and 1845, with their accumulated interest.....	204,680 20
Domestic creditors' certificates.....	82,932 74
<b>Total liabilities, December 1, 1851.....</b>	<b>\$40,154,457 48</b>
Add loan of April 2, 1852, for the completion of the North Branch Canal.....	850,000 00
	<hr/>
	\$41,004,457 48

From which take the following payments :

To the sinking fund.....	\$681,469 83
Interest on outstanding certificates.....	50,752 64
	<hr/>
	732,222 47
<b>Total funded debt, January 4, 1854.....</b>	<b>\$40,272,235 01</b>

The floating liabilities of the Commonwealth, and current demands upon the treasury at this time, are :

Rail-road and canal debts.....	\$327,734 00
Temporary loans .....	590,000 00
Unpaid appropriations.....	305,695 00
	<hr/>
	\$1,323,429 00

Various public improvements have been undertaken by the State in the years 1852-3, at an expense of \$2,143,915, viz. :

For re-laying the north track of the Columbia Rail-Road.....	\$355,500 00
For the construction of a new road to avoid the inclined plains on the Alleghany Mountains.....	656,034 90
For the completion of the Western Reservoir.....	52,880 41
For the North Branch Canal.....	1,000,000 00
For the new locks on the Delaware Division.....	80,000 00
	<hr/>
<b>Total new improvements.....</b>	<b>\$2,143,915 31</b>

The following were the sources of revenue of Pennsylvania for the fiscal year ending December 1, 1853 :

Tax on real and personal estate.....	\$1,331,550
" on Corporation Stocks.....	171,569
" on Bank Dividends.....	220,004
" on Collateral Inheritances.....	155,401
Canal and Rail-Road Tolls.....	1,893,246
Licenses to taverns, pedlers and brokers.....	305,696
Premiums on Charters, &c.....	413,271
" on loans negotiated.....	104,004
Tax on State loans.....	124,048
Sales of public property.....	164,662
Miscellaneous sources.....	349,019
<b>Total ordinary revenue.....</b>	<b>\$5,232,470</b>
Add balance on hand Dec. 1, 1852.....	1,382,611
Add loans negotiated.....	4,295,332
	<b>\$10,910,414</b>

Expenditures for the year were as follows :

Public improvements.....	\$2,755,938
Expenses of the State Government.....	253,160
Interest on State loans.....	2,135,553
Commissioners of Sinking Fund.....	505,057
Expenses of Common Schools.....	164,852
Charitable institutions.....	57,113
Penitentiaries and Houses of Refuge.....	52,083
Miscellaneous expenditures.....	200,922
<b>Total ordinary expenditures.....</b>	<b>\$6,124,678</b>
Add loans paid <i>during the year</i> .....	4,020,287
Add cash on hand Nov. 30, 1853.....	765,449
	<b>\$10,910,414</b>

The total value of real and personal estate in Pennsylvania is shown to be \$492,898,829. The most wealthy counties are the following :

Alleghany.....	\$24,008,220	Lancaster.....	\$30,615,081
Berks.....	22,536,613	Montgomery.....	16,649,604
Bucks.....	16,940,832	Northampton.....	13,708,650
Chester.....	21,899,432	York.....	10,616,397
Cumberland.....	10,595,808	Philadelphia.....	136,589,627
Franklin.....	11,939,842	51 others.....	176,798,723

**Total, 64 counties..... \$492,898,829**

Governor Bigler is opposed to a sale of the rail-roads and canals belonging to the State. He says :

"The operations on the public works for the year just closed do not present a very flattering picture, so far as relates to net revenue. The

aggregate amount of business was larger by twenty per cent. than that of any former year, and the gross receipts amounted to the sum of \$1,932,495 33, being an excess of but \$35,683 91 over the receipts of 1852. This increase of tonnage, without a corresponding increase of receipts, is the consequence of a very great reduction in the rate of tolls, a measure, in the opinion of the Canal Commissioners, demanded by public policy; and it may be said, that whatever has been lost to the treasury was given to extend commerce and trade. The expenditures for the year, according to the report of the Canal Commissioners, amounted to the sum of \$1,177,742 75, leaving a net balance of \$754,752 58; but as this sum does not include any portion of the cost of new locomotive engines and the erection of farm bridges, the deduction of the proper proportion of these will leave the sum of \$704,752 58 as the actual net balance."

## II. OHIO.

It appears from the Auditor's Report that the receipts into the State Treasury for the fiscal year ending November 15th, 1853, have been as follows :

### *General Revenue for State Purposes.*

Collected upon the duplicate of 1852,.....	\$1,687,798 39
Canal tolls and water rents,.....	605,165 62
Dividends on turnpike, canal and rail-road stocks,.....	73,835 00
Sales of canal lands,.....	9,402 21
Sale of lands by the board of public works,.....	7,897 44
Surplus revenue, principal and interest,.....	184,187 19
Tolls on national roads,.....	35,854 40
Tolls on Maumee road, .....	10,462 96
Prepayment of rail-road loans,.....	145,810 00
Sales of schools and ministerial lands,.....	149,390 73
Rents on Virginia military school lands,.....	3,105 91
For use of Commercial Hospital,.....	464 00
Miscellaneous,.....	3,265 67
<b>Total amount,.....</b>	<b>\$2,866,139 61</b>
Balance in the Treasury, Nov. 15, 1853,.....	593,641 77
<b>Total amount applicable to disbursements of 1852,.....</b>	<b>\$3,459,781 38</b>

The total disbursements for the last fiscal year, were \$2,896,118, of which, the sum of \$1,025,247 was for interest on the public debt.

The message of Governor Medill to the legislature of Ohio, presents a very flattering view of the business of the State. The taxable property of the State has increased so rapidly within the last ten years, as to produce a revenue of seven millions in 1853, against two and a half millions



in the year 1844. The progress of the revenue is shown in the annexed table:

Years.	State Purposes.	County, School, Township, Poor, &c.,	Special and Municipal Corporations.	Roads.	Total Taxation.
1844..	\$948,996 63	\$839,886 82	\$199,406 28	\$178,559 81	\$2,340,663 25
1845..	1,006,001 25	675,001 58	330,827 02	150,301 19	2,409,171 07
1846..	1,198,222 83	1,381,850 31	[Incl'd in preceding col.] .....		2,580,073 14
1847..	1,131,398 14	1,187,773 64	209,166 81	169,665 53	2,847,673 27
1848..	1,265,769 26	1,343,824 87	318,990 47	192,643 84	3,241,955 80
1849..	1,296,547 56	1,462,721 57	495,436 00	232,152 27	3,631,878 29
1850..	1,413,830 42	1,692,164 87	754,684 56	203,728 24	4,227,708 23
1851..	1,687,392 00	2,159,735 12	694,660 49	250,293 55	4,957,012 97
1852..	1,776,536 68	2,140,847 13	1,002,154 98	233,503 60	5,674,335 52
1853..	3,022,586 72	2,001,263 49	1,052,232 23	269,788 89	7,801,166 54

The following tabular statement has been collected from the Annual Reports of the State Auditor. It exhibits, at a single view, the expenditures of the several branches of the State government for the last ten years, and affords the means of an easy comparison between them:

	1844.	1845.	1846.	1847.	1848.
Judiciary, .....	\$24,251	\$23,587	\$24,434	\$24,692	\$26,652
State officers, .....	6,782	5,847	7,000	17,326	18,076
Military, .....	2,990	987	1,117	808	460
Printing, .....	16,835	16,146	12,032	11,964	15,547
Legislature, .....	37,921	27,553	25,496	26,632	33,795
Stationery, .....	7,175	7,876	4,511	8,013	9,845
Asylum, Deaf and Dumb, .....	13,580	15,802	13,547	13,102	11,450
"    Blind, .....	8,750	8,975	11,475	8,000	10,600
"    Lunatic, .....	17,000	31,900	29,060	35,220	28,700
Legislative postage, .....	2,638	2,857	2,175	3,613	5,139
State House, .....	....	....	....	....	20,000
Interest, .....	1,167,444	1,160,706	1,164,260	1,163,509	1,159,893
Public Works, .....	....	307,640	233,232	315,178	389,372
New Lunatic Asylum, .....	....	....	....	....	....
	1849.	1850.	1851.	1852.	1853.
Judiciary, .....	\$27,350	\$26,833	\$28,447	\$51,439	\$51,591 63
State Officers, .....	17,499	20,466	21,108	16,092	14,102 23
Military, .....	1,032	682	601	490	368 29
Printing, .....	18,646	26,220	38,863	23,135	20,351 82
Legislature, .....	53,166	51,878	55,372	90,748	79,507 76
Stationery, .....	10,240	14,864	21,785	23,318	22,660 93
Asylum, Deaf and Dumb, .....	6,000	18,250	13,500	13,500	16,850 00
"    Blind, .....	12,500	10,500	5,250	15,750	13,000 00
"    Lunatic, .....	31,860	26,475	3,297	59,687	41,782 00
Legislative postage, .....	4,029	10,184	14,528	....	....
State House, .....	65,000	70,000	85,014	105,000	120,000 00
Interest, .....	1,147,854	1,124,536	1,020,199	1,025,597	1,021,837 06
Public Works, .....	440,089	329,595	366,056	429,796	449,871 26
New Lunatic Asylum, .....	....	....	....	26,837	26,917 41

The following tabular statement exhibits the receipts and expenditures on the public works since their completion, the estimates made for them the year previous, and the deficit in the interest fund that had to be made up by taxation, as near as the latter can be ascertained :

<i>Years.</i>	<i>Gross Receipts.</i>	<i>Same, estimated the year previous.</i>	<i>Expenses and Repairs.</i>	<i>Same, estimated the year previous.</i>	<i>Deficit in interest made up by taxation.</i>
1845.....	466,598	....	307,640	....	1,001,748
1846.....	595,479	600,000	233,232	300,000	802,013
1847.....	790,793	700,000	315,178	275,000	687,893
1848.....	765,041	650,000	389,372	310,000	784,225
1849.....	720,275	750,000	440,089	350,000	867,669
1850.....	728,085	800,000	329,595	450,000	726,045
1851.....	809,929	775,000	367,560	400,000	579,468
1852.....	656,958	800,000	429,796	425,000	798,435
1853.....	605,163	600,000	449,871	460,000	866,545

The public debt of Ohio, on the 15th of November, 1853, was as follows :

<i>Rate of Loan.</i>	<i>Redeemable.</i>	<i>Amount.</i>
Five per cent.,	January 1, 1857,.....	\$150,000 00
Five "	January 1, 1866,.....	1,025,000 00
Six "	January 1, 1857,.....	3,292,133 24
Six "	January 1, 1861,.....	6,666,335 53
Six "	January 1, 1871,.....	2,183,531 93
Six "	January 1, 1876,.....	1,600,000 00

Total foreign debt,..... \$14,917,000 70

#### DOMESTIC DEBT.

Ohio Canal Stock, Faith and Credit Bonds, Loan of 1842,.....	\$839 00	
Miami Extension Loan Bonds, Loan of 1842,.....	926 00	
Canal School and Ministerial Bonds, Loan of 1846,...	100 02	
National Road Stock,.....	578 68	
Miami Extension Canal Stock, Faith and Credit Bonds, payable after 1853, .....	224,500 00	
Miami Extension Land Bonds, payable after 1863,...	74,185 00	
		301,128 70
School and Trust funds held by the State, bearing six per cent. interest,.....		1,988,323 29

Total public debt, November 15th, 1853,..... \$17,206,452 69

The new constitution of Ohio provides for the gradual extinction of the public debt at the rate of \$100,000 per annum. It is proposed to lay an additional tax so as to meet that portion of the public debt which matures in the year 1857, viz.: \$3,342,133.

The following statement exhibits the value of the entire property of the State at the several periods indicated, and affords gratifying evidence

of the rapid growth of our people in all the elements of prosperity and wealth:

<i>Years.</i>	<i>Value of Real Estate.</i>	<i>Value of Personal Property.</i>	<i>Total Value on Ground Duplicate.</i>
1841,.....	\$100,851,837	\$27,501,820	\$128,353,657
1847,.....	324,396,008	79,151,765	403,547,773
1854,.....	565,000,000	235,000,000	800,000,000

The amount for 1854 is partly estimated, but will not vary much from the actual result.

Governor Medill recommends more liberal appropriations to meet the expenses for the deaf and dumb, and for the idiots in the State. The sums expended for these unfortunate people, and for lunatics and the blind in 1844, were about \$29,000; but in 1853 had increased to \$52,500; viz.:—for the deaf and dumb \$52,650; for the blind \$16,850; for the insane \$13,000.

Very little attention has, of late years, been given to the militia system in Ohio, and it has been suffered to go entirely down. The Governor recommends that the public lands of the United States now remaining in Ohio, shall be surrendered to the State authorities. He concludes with information that is satisfactory, if not new, "Our Federal relations, both at home and abroad, have been conducted during the past year with signal ability and success."

### III. SOUTH CAROLINA.

THE Message of Governor Manning, of South Carolina, states that the total debt of that State, on the 1st of October last, was as follows:

5 per cent. fire loan bonds, payable in London, '58 and '68,.....	\$937,777 78
6 per cent. fire loan stock, payable '60 and '70,.....	805,590 15
6 per cent. of 1839, (balance past due, not bearing interest,).....	8,418 30
5 per cent. 1838, balance,.....	45,214 84
3 per cent. at nominal value, \$117,438 40, but at market price would amount to.....	73,986 19
	<u>\$1,870,986 76</u>

The Treasury has paid from the sinking fund since 1st of October, \$6,032 50 of the 6 per cents. of 1839, reducing the balance to \$2,385 80. The Bank also holds of the 5 per cent. stock of 1838 the sum of \$6,679,11, and also \$7,441 53 of the 3 per cents., which was purchased with the sum of \$4,668,16. The amount of indebtedness is diminished by these several payments and purchases.

The assets of the State consist of the bank and various rail-road stocks. The assets under the charge of the bank may be summarily set down as follows:

Total funds in the bank, as exhibited by the annual statement, 1st October,.....	\$7,919,932 49
Deduct bank liabilities, issues, deposits, &c,.....	4,086,590 22
Balance, being assets, the property of the State,.....	\$3,833,342 27
South Carolina Rail-Road and bank stock,.....	641,000 00
Greenville Rail-Road Company,.....	348,000 00
Wilmington and Manchester Rail-Road Company,.....	200,000 00
Charlotte and Columbia Rail-Road Company,.....	69,200 00
King's Mountain Rail-Road Company,.....	50,000 00
Laurens Rail-Road Company,.....	34,000 00
	<u>\$5,175,542 27</u>

The State has granted its endorsement of the Blue Ridge Rail-Road Company to the extent of \$1,250,000. The resources of that Company are as follows :

Subscription by the city of Charleston to the Blue Ridge Rail-Road in South Carolina,.....	\$500,000
Subscription by the same to Blue Ridge Rail-Road in Georgia,.....	549,000
Subscription of Knoxville and Charleston Rail-Road Company,.....	500,000
Other subscriptions, estimated at,.....	151,000
State endorsement of bonds of the Company,.....	1,250,000
Estimated amount of stock and bonds to be issued to Messrs. Bangs & Co., being one half of \$7,500,000,.....	3,750,000
	<u>\$6,700,000</u>

#### IV. ALABAMA.

THE biennial report upon the public finances of Alabama during the last two fiscal years, shows that the State is abundantly able to meet the interest on their debt :

The last biennial report exhibited a balance in the Treasury on the 1st of November, 1851, of,.....	\$823,741 05
The receipts since that report have been for the fiscal year 1852,.....	\$599,587 85
And for the fiscal year 1853,.....	664,230 32
	<u>\$1,263,818 17</u>
Making total balance and receipts to 30th September, 1853,.....	\$2,087,659 22
The disbursements have been for the fiscal year 1852,.....	\$665,215 08
And for the fiscal year 1853,.....	186,274 46
	<u>851,489 54</u>
Leaving a balance in the Treasury at the close of the fiscal year, 30th September, 1853, of,.....	\$1,236,069 68
The expenses proper of the government have been for the two years,.....	233,048 64
Or an average annual expenditure of,.....	116,524 32

In regard to the sources of revenue, the report says that nearly the whole revenue of the State arises from a very few sources of subjects of taxation, and that slaves pay almost one half. Thus, of an assessment of \$589,679 52, for the year 1852, lands, slaves, merchandise, money loaned, and the license list, (but five items,) yield \$505,230 38.

The Governor of Alabama, in his annual message to the Legislature, states that the outstanding debt of the State is about \$4,500,000, which is eagerly sought by capitalists as a safe and reliable investment. In relation to a surplus in the National Treasury, over and above the wants of the government, he suggests that the surplus might be loaned with safety to rail-road companies on proper security.

The assets of the State Bank, now in process of liquidation, add largely to the sinking fund for the redemption of the State Bonds. The recent loan of the State of North Carolina was taken by the commissioners of Alabama, and added to the sinking fund of the latter State.

## V. MARYLAND.

THE fiscal year of the State of Maryland has been changed by the act of 1853, so as to terminate on the 30th September, instead of the 30th November as heretofore. The revenue accounts, therefore, include ten months for the past year.

The receipts for the two subsequent months are, however, known, showing that the aggregate receipts for the twelve months were.....

ing that the aggregate receipts for the twelve months were.....	\$1,217,519
For the previous year,.....	1,279,952
Decline in 1853,.....	\$62,433

The principal sources of revenue for the past twelve months were:

Direct Taxes,.....	\$461,343
Stamps on Bills of Exchange and Notes,.....	51,450
Licenses, tax on plaintiffs, &c.,.....	220,621
Tax on commissions of executors, &c.,.....	64,097
Inspections of Tobacco, (net),.....	9,326

The expenditures of the State for the last year were \$1,193,569; leaving a balance of cash on hand, \$194,402.

The Comptroller of the State makes his first annual report as successor (under the new Constitution) to the former Treasurer, and says that the Baltimore and Ohio Rail-Road Company has promptly met all its engagements with the State. The receipts on account of the State's one fifth of moneys arising from passengers on the Washington Branch Rail-Road, amount to \$70,426 38, an increase over the preceding year of \$10,599 69.

The public debt of Maryland is about \$15,424,000, of which \$3,200,000 is a loan of credit to the Baltimore and Ohio Rail-Road Company, the interest on which has been punctually paid by the Company. The sink-

ing fund was nearly three millions of dollars in November last, and increasing with such a rapidity that the entire debt will be liquidated thereby before its maturity at various times between the years 1870 and 1890.

The business on the Chesapeake and Ohio Canal promises to yield better. Hitherto that concern has been a dead weight upon the State.

Governor Lowe, in his Message, says :

"That the arrears of interest on the bonds of the Company issued for the completion of the Canal to Cumberland unpaid, from the 1st of July, 1852, to the 1st of January, 1854, inclusive, amounting to \$204,000, are in the course of being funded by the issue of certificates bearing interest, payable semi-annually; and that when this shall have been effected, it is hoped that the increasing business of the Company will soon enable it to resume the regular payment of interest on those bonds, as well as on the bonds issued for repairs, amounting to \$200,000, guarantied by the State of Virginia."

He adds :

"I am gratified to be able to inform you that the finances of the State are in a highly prosperous condition. None of the injurious consequences, which it was apprehended by some would probably follow a reduction of the taxes, have been experienced during the past year. The calculations upon which I predicated my recommendation of that measure, in each of my last two annual messages, have been so far fully verified."

## VI. NEW JERSEY.

### *Extracts from Governor Fort's Message, January 1st, 1854.*

THE following statement exhibits the condition and operations of the treasury during the past year :

*The receipts during the year ending December 31, 1853, have been as follows, viz. :*

Transit duties from Delaware and Raritan Canal Co.,.....	\$33,257 86
do. from Camden and Amboy Rail-Road Company,.....	58,115 19
do. from New Jersey Rail-Road Company,.....	15,799 95
Tax on capital stock of do.,.....	10,494 60
do. on Paterson and Hudson River Rail-Road Company,.....	2,665 00
Pedlers' Licenses, .....	1,325 00
Dividends on stock of joint companies,.....	21,000 00
Interest on bonds of joint companies and mortgages on real estate,..	2,470 83
Surplus earnings, State Prison,.....	5,000 00
House of Refuge Commissioners,.....	1,038 28
Arsenal for sale of unserviceable muskets,.....	687,64
Tax on insurance premiums,.....	23 40
Cash on hand last year,.....	7,698 98
Total receipts,.....	\$159,576 73

## DISBURSEMENTS.

Paid during last year for the ordinary expenses of government, .....	\$89,570 60
For extraordinary expenses, viz.:	
Public schools, .....	\$40,000 00
House of Refuge, .....	10,560 00
Lunatic Asylum, .....	5,145 00
State Prison repairs, .....	1,158 57
Improvements to Capitol, .....	4,826 31
	<hr/> 61,189 88
	<hr/> \$150,760 48
Leaving a balance in the Treasury, January, 1, 1854, of, .....	8,816 25
	<hr/> \$159,576 73

*Estimated receipts and disbursements of the Treasury for the year 1854:*

## RECEIPTS.

Cash on hand January 1, 1854, .....	\$8,816 25
Dividends on stock of joint companies, .....	21,000 00
Transit duties from do. ....	92,000 00
Tax on capital stock of New Jersey Rail-Road, .....	12,500 00
Transit duties from do. ....	16,000 00
Tax on Paterson and Hudson River Rail-Road, .....	2,665 00
Pedlers' Licenses, .....	1,200 00
Interest on bonds and mortgages, .....	2,140 00
State Prison, .....	3,000 00
Miscellaneous sources, .....	500 00
	<hr/>
Estimated revenue for 1854, .....	\$160,821 25

## DISBURSEMENTS.

Ordinary expenses, .....	\$90,000 00
Extraordinary expenses, viz.:	
Free schools, .....	\$40,000
Lunatic Asylum, .....	7,600
Colonization Society, .....	1,000
Digest of public laws, .....	8,000
	<hr/> 56,600 00
Estimated disbursements for 1854, .....	\$146,600 00

Which, deducted from the estimated receipts, will leave a probable balance in the treasury on the 1st of January, 1855, of \$14,221 25.

No estimate is made for the proposed extension to the State Prison and Asylum, nor for the encouragement of county workhouses. If appropriations are made for these purposes, it will absorb all the surplus funds, and create a necessity for a public loan.

The State has available assets, which may be converted into cash, consisting of

Joint Companies' bonds.....	\$44,000 00
Unpaid dividends.....	6,000 00
Bonds and mortgages.....	7,992 00
Add balance in the treasury.....	8,816 25
Amount.....	<u>\$66,808 25</u>
The State debt consists of a loan made in 1847, of.....	\$35,000 00
Loan of 1852.....	<u>20,000 00</u>
Total debt of State.....	65,000 00
To discharge which we have available means amounting, as above, to...	66,808 25
The amount of the Free School Fund is.....	393,904 68
January 1, 1853, it was.....	<u>376,701 06</u>
Increase during last year.....	\$17,203 62

By authority and direction of the act of 25th March, 1852, the Trustees for the support of free schools have sold for the sum of three thousand six hundred and fifteen dollars, being the best price that could be obtained, all the lands belonging to the State, at or near the city of Paterson, and have invested the same for the benefit of the School Fund.

The payments into the treasury from the various public works of the State from which revenues are derived, have been, in the aggregate, *one million five hundred and seventy-nine thousand five hundred and fifty-eight dollars*, viz.: from the Joint Companies since the year 1833, the sum of \$1,339,765 42; from the New Jersey Rail-Road and Transportation Company, since the year 1839, the sum of \$217,882 74; and from the Paterson and Hudson River Rail-Road Company, since the year 1842, the sum of \$21,910.

Our financial policy presents an equally favorable exhibit: \$40,000 of the public debt has been discharged, the revenues of the State have been augmented and secured, and available means are in possession, sufficient to liquidate all its liabilities. All moneys borrowed have been repaid, with the exception of a loan of \$30,000, made in 1852, which was equivalent to the losses sustained in expenditures upon the House of Refuge.

Upwards of \$24,000 have been added to the capital of the school fund, while \$120,000 have been paid out of the treasury for free schools, besides an equal amount from said fund. The sum of \$13,926 has been expended for necessary repairs and improvements to the capitol and State prison; \$26,350 have been paid to the lunatic asylum, to aid the counties in supporting paupers and indigent lunatics, and for other purposes; also \$5,762 for various useful and benevolent objects, while the burden of taxation for State purposes has not been imposed.



## FINANCES OF CITIES.

## I.—PHILADELPHIA.

THE number of people who have anything like an accurate conception of the wealth of this great metropolis, is remarkably few. At home and abroad, we are so accustomed to the "eternal blazon" of other cities, which, for the purpose of trade, are continually Barnumizing the country, that we neglect to measure the quiet but vast and profound power of Philadelphia. It is full time that we were awake to the extent of our resources; for, upon the accurate knowledge of a city's wealth depends the opinion of its ability to carry through great enterprises, such as bring it into communication with the country, and make its influence felt.

In the following table will be found such statistics for the years 1851, '52 and '53 as will convey some idea of the recent progress of Philadelphia in wealth; and yet it will be a very faint idea, as everybody knows that our imperfect and partial modes of assessment, especially on personal estates, gives scarcely a tithe of the real value:

	1851.	1852.	1853.
Real Estate.....	\$115,965,467	\$118,963,196	\$128,218,658
Occupation.....	2,202,932	2,190,038	2,240,871
Furniture.....	1,805,389	1,819,477	1,919,590
Moneys, etc.....	21,178,565	18,954,162	21,955,269
Emoluments of office,	126,165	144,755	130,825
Horses and Cows....	463,192	473,238	500,581
Carriages.....	191,641	181,707	194,868
Watches.....	5,015	4,937	5,288
Total.....	\$141,938,366	\$142,731,510	\$155,165,950

By this table we are led to infer that there was a general depression in 1852. But we know that Philadelphia had never before been more prosperous than she was during that year, and for this reason we are inclined to believe there has been gross neglect somewhere, either in collecting or in making the estimates. Who is responsible? Taking the statement of the County Commissioners, that the taxable wealth of Philadelphia, in February, 1853, was more than one hundred and fifty-five million of dollars, is not the increase over the valuation of 1851 astonishing? The city has outstripped the ordinary ratio; and what may we not hope for 1854?

The increase in the value of real estate in the city and districts, during the three years alluded to above, was as follows:

	1851.	1852.	1853.
City.....	\$62,711,665	\$63,920,341	\$66,497,465
Northern Liberties...	9,543,314	9,715,755	9,637,466
Spring Garden.....	13,515,716	13,416,107	15,128,817
Kensington.....	5,858,375	6,272,369	7,148,502
Southwark.....	5,616,606	5,829,560	6,036,047
Moyamensing.....	2,926,200	3,263,947	3,838,791
Total.....	\$100,171,876	\$102,458,079	\$108,286,988

That "Statement" of February, 1852, is a remarkable document. It knocks into confusion all calculations of the value of property in the several districts. Who believes that Spring Garden declined in 1852, or that the value of her real estate was less than it was in 1851? Yet the County Commissioners have published the estimates, and they stand as above recorded. In the Northern Liberties, real estate seems to circle round a certain point. The value of property in Moyamensing has been on the increase ever since the Marshal's Police was constituted, yet the County Commissioners tell us the real estate of that district was worth only a few hundred thousand dollars more in 1852 than in 1851. Surely there has been some oversight or neglect in making the estimates. Whose fault is it?—[*Philadelphia North American.*]

*Taxation and Population of Philadelphia.*

<i>Population.</i>	1840.	1850.	<i>Increase.</i>
City of Philadelphia.....	80,458	121,417	29½ per cent.
Southwark.....	27,548	38,799	41 nearly.
Moyamensing.....	14,373	26,799	85½ per cent.
Passyunk.....	1,594	1,607	4-5 "
Total south of Vine-street..	124,173	188,802	52 "
Northern Liberties.....	34,474	47,223	37 "
Spring Garden.....	27,849	58,895	111½ "
Kensington.....	22,314	46,776	109½ "
Residue of county north of city and east of Schuylkill.....	28,467	53,991	89½ "
Total north of Vine-street..	113,104	206,885	82½ "
	124,173	188,892	
West of Schuylkill.....	7,553	13,358	82½ "
Total city and county.....	258,037	409,045	58½*

*Taxable Inhabitants in 1853.*

City, 22,024; Southwark, 8,193; Moyamensing, 6,153; Passyunk, 335—Total, 36,705.

Northern Liberties, 9,130; Spring Garden, 12,817; Kensington, 11,563; Penn, 2,658; boroughs and townships north of the city, 11,332—Total, 43,496.

<i>Valuation of Real Estate.</i>	1844.	1853.	<i>Increase.</i>
City.....	\$57,708,858	\$66,497,465	15½ per cent.
Southwark.....	5,367,581	6,036,047	12½ "
Moyamensing.....	2,323,210	3,838,791	65½ "
Northern Liberties.....	9,056,948	9,637,466	6½ "
Spring Garden.....	9,149,604	15,128,817	65½ "
Kensington.....	3,793,508	7,148,502	88 1-5 "
Other districts, boroughs and townships.....	12,893,513	19,931,570	54½ "
Total.....	100,293,222	128,218,658	27 5-8 "

\* Aggregate.

The Special Committee of the Pennsylvania Senate have made a report recommending the consolidation of Philadelphia and suburbs, according to a plan recently formed. One reason for the change is stated as follows :

"The valuations of real estate for taxation also show that the new districts are rapidly outstripping the city, and each successive year will increase the disparity of the ratio, as a widening circle extends the line of improvement. The city valuation increased in nine years fifteen and one fourth per cent., while the average increase of the whole county was twenty-seven and five sixths per cent., and the districts on the margin of the town, with room for new buildings, were above sixty-five and eighty-eight per cent. increase. And herein is apparent the future advantage to the whole city when enlarged of those districts having large open space yet to be built upon ; for though their surveys, grading, culverting, &c., may be expensive, they have a power to increase revenue for a long time to come, which in the present city and the Northern Liberties is nearly expended, by their plots being generally built up. The future availability of the young and thrifty is more than compensatory for their present indebtedness and future occasion of expenditure."

The City Councils on the 5th instant voted the long-contested subscription of two millions of dollars to the Sunbury and Erie Rail-Road, and it is supposed the other branch of Councils will concur at a special meeting. The ordinance makes the subscription of one million on condition that the company procure a like subscription from individuals, or cities, towns, and counties that have not already subscribed, over and above all existing subscriptions ; and the subscription of a second million on condition of a like subscription from individuals, and from cities, towns and counties. The object of the ordinance seems to be framed in such a manner as to insure the completion of the road without a further call upon Philadelphia for means.

---

## II.—BROOKLYN, N. Y.

From the message of Mayor Lambert to the City Councils of Brooklyn, we learn that the funded debt of that city, on the 1st of January, 1853, amounted to \$1,129,540 42. The amount to the credit of the Commissioners of the sinking fund at the same period was \$335,559 31, leaving a total indebtedness of \$793,381 11. Bonds issued last year under the act of June 19, 1851, for the purchase of streams of water, land, &c., bearing an interest of six per cent., and payable in 20 years, \$55,000. (These bonds were sold at a premium of \$848,981 11—5 per cent.) The accumulation to the sinking fund during the past year amounts to \$53,188 36. Making the total indebtedness, 1st January, 1854, \$795,791 75.

By the several acts authorizing the city to borrow money for various improvements, the debts thus created will be amply provided for before the same fall due. The first bonds issued by the city are payable in July, 1855, amounting to \$200,000, to meet which there is at the present time the sum of \$388,947 67 in the sinking fund.

By the Comptroller's balance sheet it appears there is in the hands of the Treasurer to the credit of the General Fund, \$157,643 98, and to the credit of the Special Fund, \$300,479 12.

The amount to be collected on account of taxes and estimated receipts for various purposes incidental to the General Fund for the year ending August 31st, 1854, is \$75,000.

### III.—PROVIDENCE.

THE public debt, as represented by the City Auditor of Providence on the first Monday of March, 1853, amounted to the sum of..... \$178,052  
 Add to that the deficiency, as herewith presented, on the 1st of March next 58,438  
 Also, the contemplated purchase of the Dyer lot, at the head of Exchange Place..... 75,000  
 Also, cost of City Hall..... 75,000  
 Also, contemplated opening of South Water-street..... 10,000  
 Also, seven months' current city expenses, at \$2,500 per month..... 57,500  
 Completion of iron fence, bridge, and improvements around the Cove circle, 5,000

Which will leave an indebtedness on the 1st of October, 1854, of.... \$488,990

Although the city debt, which is denominated permanent, is represented to be but..... \$178,000  
 Yet, on the first day of October last, the day on which the annual tax was due, the city owed a temporary debt, in addition to the above, of.... 65,000

Making the actual debt of the city on the 1st of October last..... \$243,000

### IV.—NEWARK, N. J.

THE present indebtedness of the city of Newark is one hundred and seventy-six thousand six hundred and ninety-two dollars and twenty-three cents, the details of which are as follows:

State Loan (School Fund).....	\$30,000 00
Loan C, due 1870.....	20,000 00
Loan D, due 1880.....	100,000 00
Total funded debt.....	\$150,000 00
Temporary loan.....	26,692 23
Total.....	\$176,692 23

The Mayor in his message says:

"It will be seen that there is still left a margin for an additional loan of fifty thousand dollars to the present debt, without passing the maximum point of two hundred and fifty thousand dollars, fixed by the last Legislature of the State for our city's indebtedness. This addition will be found necessary during the present year, in order to complete the improvements already in progress, the expenses of which must necessarily be provided for."

## BANK STATISTICS.

## MARYLAND.

*Condition of the Banks of the City of Baltimore, January 2, 1854,  
with a comparative table of their liabilities 1847-1854.*

LIABILITIES.	Capital.	Circulation.	Deposits.	Bank Balances.	Profits.
Merchants' Bank, . . .	\$1,500,000	\$359,995	\$1,198,780	\$1,004,817	\$160,067
Bank of Baltimore, . . .	1,200,000	223,912	606,323	158,544	45,795
Union Bank of Maryland, . .	973,650	259,435	706,239	401,606	54,505
Farmers and Planters' Bank, .	600,625	357,120	690,968	108,560	66,863
Mechanics' Bank, . . .	600,000	357,335	1,099,395	61,495	129,384
Commercial and Farmers' Bank,	512,560	126,705	458,003	117,202	121,950
Western Bank, . . .	400,000	360,601	131,900	543,998	57,537
Farmers and Merchants' Bank,	393,560	188,096	212,980	116,537	27,040
Chesapeake Bank, . . .	346,173	215,202	620,805	145,228	71,323
Marine Bank, . . .	310,000	83,060	331,027	22,248	29,963
Franklin Bank, . . .	505,812	149,629	254,633	16,060	26,492
Citizens' Bank, . . .	250,000	251,442	394,233	8,460	25,527
<b>Total liabilities, . . .</b>	<b>\$7,592,350</b>	<b>\$2,957,582</b>	<b>\$6,755,196</b>	<b>\$2,700,055</b>	<b>\$816,786</b>
RESOURCES.	Loans.	Specie.	Real Estate.	Bank Notes & Balances.	Miscel- laneous.
Merchants' Bank, . . .	\$3,165,235	\$566,215	\$25,000	\$497,046	\$131
Bank of Baltimore, . . .	1,611,477	246,034	15,116	161,947	..
Union Bank of Maryland, . .	1,767,377	245,934	68,895	329,528	..
Farmers and Planters' Bank, .	1,305,840	287,260	..	230,836	..
Mechanics' Bank, . . .	1,592,906	331,430	6,862	816,911	..
Commercial and Farmers' Bank,	998,465	218,156	16,840	136,320	1,615
Western Bank, . . .	879,747	277,594	15,000	321,685	10
Farmers and Merchants' Bank,	697,511	127,472	15,037	92,330	260
Chesapeake Bank, . . .	1,029,189	134,173	25,090	210,314	..
Marine Bank, . . .	616,520	79,252	23,208	57,147	173
Franklin Bank, . . .	801,485	85,752	7,500	57,890	..
Citizens' Bank, . . .	739,810	139,393	2,037	47,917	505
<b>Total resources, . . .</b>	<b>\$20,321,946</b>	<b>\$2,788,705</b>	<b>\$220,586</b>	<b>\$2,459,871</b>	<b>\$2,694</b>

## Comparative Condition of the Baltimore Banks, 1847-1854.

LIABILITIES.	Jan., 1847.	Jan., 1851.	Jan., 1852.	Jan., 1853.	Jan., 1854.
Capital, . . .	\$6,969,830	\$7,101,016	\$7,141,461	\$7,292,315	\$7,592,350
Circulation, . . .	1,990,640	2,288,419	2,180,663	3,319,059	2,957,582
Individual Deposits, . . .	3,867,732	4,706,161	4,059,637	6,242,670	6,755,196
Bank Balances, . . .	959,013	1,795,773	1,442,907	2,702,893	2,700,055
Undivided Profits, . . .	701,290	658,108	702,659	772,404	816,786
<b>Total liabilities, . . .</b>	<b>\$13,988,005</b>	<b>\$16,549,492</b>	<b>\$15,527,352</b>	<b>\$20,329,341</b>	<b>\$20,321,947</b>
RESOURCES.	Jan., 1847.	Jan., 1851.	Jan., 1852.	Jan., 1853.	Jan. 1854.
Loans, . . .	*\$10,746,538	\$11,926,145	\$11,445,115	\$14,225,189	\$15,400,092
Specie on hand, . . .	1,814,813	2,361,204	1,967,565	2,991,909	2,788,705
Real estate, . . .	379,467	256,184	258,948	239,984	220,585
Bank Balances and Notes, . .	1,006,795	1,490,321	1,474,883	2,402,985	2,459,871
Stocks, Bonds, &c., . . .	40,897	515,623	886,841	469,274	2,694
<b>Total resources, . . .</b>	<b>\$13,988,005</b>	<b>\$16,549,492</b>	<b>\$15,527,352</b>	<b>\$20,329,341</b>	<b>\$20,321,947</b>

\* Including stocks.

BALTIMORE.—Since January, 1853, the bank capital has increased \$300,065, viz.: Franklin Bank, \$203,962; Union Bank, \$57,300; Chesapeake Bank, \$4,687; Mechanics' Bank, \$341,16. The marked increase in loans occurred in the year 1852, when nearly three millions were added to the discounts: whereas, between January, 1853, and 1854, the increase was only \$700,000. Since January, 1847, there has been no addition to the number of banks, and the capital has increased only \$623,000. It will thus be seen, that the banking facilities of Baltimore do not keep pace with its growing business and rapidly increasing population. The circulation within the past year has been reduced \$360,000, and the specie funds \$253,000.

#### SAVINGS' BANKS OF BALTIMORE.

	<i>Funds, Jan. 1, 1853.</i>	<i>Deposits, 1853.</i>	<i>Interest.</i>	<i>Total.</i>
Savings Bank of Baltimore, . . .	\$3,061,879	\$1,430,900	\$252,325	\$4,745,104
Eutaw Savings Bank, . . .	387,193	889,185	27,098	504,077
	<u>\$3,449,072</u>	<u>\$1,820,085</u>	<u>\$280,023</u>	<u>\$5,549,181</u>
	<i>Paid Depositors.</i>	<i>Expenses.</i>	<i>Total.</i>	<i>Balance, Jan. 1, 1854.</i>
Savings Bank of Baltimore, . . .	\$1,194,900	\$20,157	\$1,214,957	\$3,530,146
Eutaw Savings Bank, . . .	270,383	3,270	278,653	530,424

THE SAVINGS BANK OF BALTIMORE.—The committee of examination on the 1st January, 1854, report,

The practice of the bank is to invest its funds in the purchase of stocks, and in loans on stocks and real estate.

The stocks owned by the bank are of the most solid and valuable character, and if offered for sale, would be available at prices above the rates at which they are held.

The loans are not made without collateral security, and the collaterals are held at rates considerably below their market value. The loans on mortgage of real estate exceed, in but few instances, one half of the value of the property, which is well situated and productive.

There were open on the 1st January, 1853, 11,914 accounts. There were opened during the year, 5,008 accounts, and closed during the same period, 3,956 accounts; leaving open on the 31st December, 1853, 12,966 accounts.

The committee deem it proper to allude to the erection of the new Banking House, at the corner of Gay and Second streets, and to express their entire concurrence in the opinion of the Board of Directors as to the propriety of its construction.

The committee believe that such a building, containing, as it does, the requisite conveniences, with the most approved means of security against fire or burglary, had become actually necessary for the proper uses and wants of the bank. While every facility has heretofore been afforded by one of the banks of the city, for the keeping of the securities and funds of the Institution, yet the committee think that the directors should have the means and the power, whenever they may see fit, to keep not only the books, but also the securities and funds in a secure building of their own. The committee regard the edifice as a good investment. The cost has been chiefly incurred in rendering it secure and strong, and the ornamental features, which add so much to the outward appearance, have added but little to the expenditure. Occupying the position which the bank does among the public and benevolent institutions of

this growing metropolis, the committee consider the money well expended in making the building worthy of the character of the city, and in ministering to the comfort and convenience of the people in their daily intercourse and transactions with it."

EUTAW SAVINGS BANK OF BALTIMORE, January 3, 1854. The committee report,

"The funds are employed in the purchase of stocks and loans on real estate and stocks. In the opinion of the committee, the investments and loans have been safely and judiciously made.

There remained 1,264 accounts open on the 1st of January, 1853. During the past year 755 accounts were opened, and 352 accounts closed, leaving open on the 31st December, 1853, 1,667 accounts."

We observe among the expenses incurred by the Savings Bank of Baltimore, that the taxes levied upon the institution for the past year were \$8,920. It seems to us, that if any property or funds should be free from State or City taxation, the assets of Savings Banks and Life Insurance Companies are among them. So far from being subjects of taxation, the State should confer a bonus upon such institutions, and encourage, by various and legitimate means, the deposits and the earnings of their customers.

### MISSOURI.

#### *Condition of the Banks of the State of Missouri and Five Branches.*

LIABILITIES.	Jan., 1846.	Jan., 1848.	Jan., 1849.	July, 1850.	Jan. 1, 1854.
Capital owned by the State, . . .	\$954,205	\$954,205	\$954,205	\$954,205	\$954,205
Capital owned by individuals, . . .	246,877	250,511	253,983	254,546	261,200
Individual Deposits, . . . . .	1,296,428	1,864,650	1,785,410	969,768	1,818,745
Circulation, . . . . .	2,195,840	2,404,160	2,569,950	2,896,500	2,457,530
Bank balances, . . . . .	87,858	188,078	170,695	198,421	228,936
Interest and Exchange, . . . . .	176,612	196,870	186,308	278,590	222,876
Contingent Fund, . . . . .	79,978	98,850	122,960	147,826	99,890
Suspense Account, . . . . .	17,238	17,238	17,238	22,824	....
<b>Total liabilities, . . . . .</b>	<b>\$5,004,521</b>	<b>\$5,424,548</b>	<b>\$6,010,618</b>	<b>\$5,282,680</b>	<b>\$5,567,872</b>
RESOURCES.	Jan., 1846.	Jan., 1848.	Jan., 1849.	July, 1850.	Jan. 1, 1854.
Bills discounted, . . . . .	\$1,483,088	\$1,775,886	\$1,816,180	\$1,869,690	\$1,968,120
Exchange matured, . . . . .	544,675	186,245	474,380	498,710	294,181
Exchange maturing, . . . . .	788,694	511,168	590,095	509,638	1,700,761
Due by the State, . . . . .	76,844	110,572	123,588	145,506	....
Real Estate, . . . . .	186,016	122,574	125,850	181,612	116,151
Suspended Debt, . . . . .	170,046	164,218	155,458	162,830	77,941
Deficiency of Specie Teller, . . . . .	....	....	....	120,961	....
Expense Account, . . . . .	14,445	15,451	15,426	18,562	....
Bank Balances, . . . . .	47,900	20,520	53,905	59,010	194,718
Bank Notes, . . . . .	185,736	47,040	86,560	81,280	282,570
Illinois Bank Certificates, . . . . .	208,318	206,153	191,533	182,498	....
Coin on hand, . . . . .	1,458,614	2,814,716	2,427,683	1,453,897	987,886
<b>Total resources, . . . . .</b>	<b>\$5,004,521</b>	<b>\$5,424,548</b>	<b>\$6,010,618</b>	<b>\$5,282,680</b>	<b>\$5,567,872</b>

## BANKING IN THE SEVERAL STATES.

## I. NEW YORK.

*Extracts from the annual report of the Bank Department, Albany, January, 1854.*

Since the date of the last report, there have been established :

Banking Associations,.....	50
Individual Banks,.....	8
Chartered Banks re-organized,.....	10

The fifty banking associations have deposited the following securities :

Bonds and Mortgages,.....	\$929,556 00
New York State Stocks,.....	2,212,534 87
Canal Revenue Certificates,.....	129,000 00
United States Stocks,.....	1,716,215 68

Total,.....	\$4,987,806 55
Circulation issued on the above,.....	4,550,221 00

The eight individual banks have deposited the following securities :

Bonds and Mortgages,.....	\$153,684 00
New York State Stocks,.....	130,521 00
Canal Revenue Certificates,.....	70,000 00
United States Stocks,.....	81,150 00

Total,.....	\$435,355 00
Circulation issued on the above,.....	\$380,460 00

The total amount of circulating notes outstanding on the 1st of December, 1853, was 23,743,716 00.

Which was secured by the following deposits: Bonds and Mortgages,	5,777,577 39
New York State Stocks, 4½ per cent.....	357,600 00
“ “ 5 “ .....	5,587,726 16
“ “ 5½ “ .....	1,264,700 00
“ “ 6 “ .....	3,752,146 26
United States Stocks, 5 per cent.....	614,800 00
“ “ 6 “ .....	4,724,849 02
Canal Revenue Certificates, 6 per cent.,.....	1,408,500 00
Arkansas State Stocks, 6 per cent.....	326,000 00
Illinois “ “ “ .....	646,887 83
Michigan “ “ “ .....	172,000 00
Cash on deposit for stocks matured, bonds and mortgages paid, and banks closing business,.....	253,650 00

Total,.....	\$24,886,737 64
Securities held December 1, 1852,.....	20,230,112 67

Increase of securities for the past year,..... \$4,656,624 63

Circulating notes outstanding December 1, 1853,.....	23,743,716 00
“ “ “ “ 1852,.....	19,160,066 00

Increase of circulation the past year,..... \$4,583,650 00



In addition to the securities held in trust for banking associations and individual banks, the following securities are held in trust under special acts:

For the Buffalo Trust Company, bonds and mortgages,.....	\$97,000 00
Buffalo City Stocks,.....	3,000 00
<b>Total, .....</b>	<b>\$100,000 00</b>
For the United States Trust Company, New York, Auburn City Stocks,.....	\$100,000 00
<b>Total,.....</b>	<b>\$200,000 00</b>
Bank of Geneva, N. Y. State 6 per cents, .....	3,000 00
Cayuga Co. Bank, " " .....	22,400 00
Greenwich Bank, " 5½ per cents, .....	1,000 00
" " " 6 " .....	3,000 00
Seneca County Bank, Canal Revenue Certificates, 6 per cents,.....	3,000 00
Central Bank, Cherry Valley, Canal Revenue Certificates, 6 per cents,	3,000 00
Bank of Orange County Canal Revenue Certificates, 6 per cents,....	20,000 00
<b>Total,.....</b>	<b>\$58,400 00</b>
<b>Making a total of securities held by the department,.....</b>	<b>\$25,145,137 30</b>

There are in the State :

Incorporated Banks,.....	69	Individual Bankers, .....	94
Banking Associations,.....	169	In all,.....	323

Of these, thirty-three individual bankers and two banking associations have given notice of their intention to discontinue business.

The amount of capital employed in the business of banking on the 17th of September last, was \$76,692,075, an increase over the previous year of \$14,484,859, and the amount for each year, since 1843, was as follows :

First Monday in Aug., 1843, \$48,019,577	June 30, 1849,.....	\$44,929,505
August 1, 1844,.....	" 29, 1850,.....	47,779,727
" 1845,.....	" 21, 1851,.....	55,580,181
" 1846,.....	" 26, 1852,.....	59,705,683
" 1847,.....	" 11, 1853,.....	74,183,251
June 24, 1848,.....	Sept. 17, 1853,.....	76,692,075

In view of the probable increase of the State debt, the superintendent does not renew his recommendation made last year for an increase of the basis of banking, but recommends that permission be given to the banks to deposit United States stocks exclusively, should any desire to do so. Should no other securities than are received be recognised as a basis, the superintendent thinks that it would insure a profitable disposition of the new stocks to be issued for the canal enlargement.

He strongly urges a thorough revision and consolidation of the laws relating to banking. As they now exist on the statute books, they are frequently incongruous, and could not but be improved by being remodeled and embraced in one enactment.

The system of establishing banks of issue by individuals, without the intent of doing a legitimate banking business, has been a source of much evil; and the right to do so contained in the Free Banking Law, is the great defect of that enactment. The superintendent feels confident that an amendment of the law in that respect will be highly beneficial.

Mr. Benedict, of the Assembly, at Albany, has given notice of a bill making city stocks a basis for banking. This proposition has been brought forward in view of the high quotations for United States and New York State loans. Another move has been made in the Legislature towards the appropriation of long standing deposits and dividends in our banks and savings institutions. The Albany Journal states that the bill introduced in the Assembly on Friday last by Mr. Mosely Hutchinson, providing for the use of unclaimed bank deposits, dividends, &c., for educational purposes, under the supervision of the State, originated with Hon. George Underwood, of Auburn. It is the result of much care and consultation, and looks to the accomplishment of a beneficent purpose. Mr. Underwood introduced it in the Assembly two years ago, and it passed that body, but failed to receive the attention of the Senate, on account of the near approach of the end of the session.

*Remarks of Mr. Benedict.*

Mr. Benedict wished to call the attention of the committee to the portion of the message objecting to city stocks as a basis of banking capital. He alluded to the fact that the greatest part of the banking capital of the State was located in the city of New York. He considered city stocks to be a better basis for banking than any other on which the present free banks of the State were established. The free banking law was proposed with a great deal of diffidence on the part of those projecting it. He did not consider it necessary to mention that the law had more than met the anticipations of its most sanguine friends, and when perfected, it would be a system on which the currency of the country would float with perfect security.

He alluded to the present system of mortgages as a basis of banking, and said that time had developed the fact, that on the foreclosures of such, a great loss ensued to the department, and he considered city stocks safer than those of other states, and quite as good as those of the United States. He referred to the depreciation of the different stocks which had been used as a basis of banking, and submitted that city stocks would be certainly a surer guaranty of redemption.

He discussed the portion of the message which refers to the probability of the contraction of debts by cities, and said it was often as necessary to the prosperity of a city to incur a debt, as it was to an individual firm—"city stocks could be obtained at market value"—so they could, in Wall street.

He differed with the executive, and said this was no gigantic speculation like that which was passed by the last legislature, incorporating the Pacific Rail-Road, and the Governor might as well attempt to stop the flow of the Hudson with his single hand across it, as to prevent the onward course of progress and internal improvements in our State. He proceeded to illustrate his views in relation to city stocks, and said an assessment of five per cent. on the city of Utica would amount to \$150,000, and he inquired if that city was not considered safe for that amount. He repudiated the idea that the adoption of city stocks would inflate the currency of the country. In his own city, (Utica,) where the property assessed amounted to about \$3,000,000, there was a building capital of \$1,500,000, yet he did not consider its basis as firm as if established on city stocks.

Injustice was done to city stocks, on the assertion that they had not a value abroad. This was the case when condemned at home, the executives of the State, yet if an equal opportunity was given them, as to other stocks, they would be just as valuable. An assessment of 5 per cent. on the estimated value of city property, would raise a banking capital of \$20,000,000, and would give the citizens of this State an equal chance in Wall-street, or in the Exchange, and he considered it no argument that the establishment of city stocks would lessen the value of State stocks. He alluded to the establishment of the Croton works, by which New-York received such inestimable advantages, and though they incurred an immense debt in their construction, yet the tax and the interest was cheerfully paid, and efforts made for the extinguishment of the principal. While he would give the canal enlargement measures the full preference, it was enough for him to vindicate the cities of the State—of his own city—against the insinuations of the executive, that its stocks would ever prove anything else than meritorious and valuable.

Mr. Peters deemed the subject a very important one to discuss in the early part of the session. At the last session, he reluctantly yielded his assent to a similar bill, but he did not consider the adoption of such measures now, as necessary as it was then. He did not consider it necessary to establish new stocks, as in two or three years we should have an issue of new and reliable stocks sufficient to meet all demands. He believed, as capital increased in the country, the establishment of banks would cease, and banking prove less profitable, and banks would only be used for commercial purposes. To the farmer and artisan they have been, at all times, a curse, and a monopoly, to a certain extent, has been created. In this light, banks had been an injury to the masses, until recently they had become more in unison with the spirit of our institutions. He did not consider it necessary for an increase of bank stocks, and even if this necessity was created, a slight modification of the banking laws, concerning mortgages, would amply answer the purposes of an increased basis and sure redemption.

He did not think the bank department had lost all its vigilance, although the case of a mortgage alluded to by the gentleman from Oneida had taught them to exercise more caution. He alluded to the low estimation of property in Oneida county, and wished to know the reason thereof.

## II. NEW JERSEY.

*Extract from the annual message of Governor Fort to the Legislature, 1854.*

THERE are twenty-four in number of those first named, whose charters will expire at periods varying from one to twenty-one years. The charters of six will terminate within three years, and it is highly probable that these six banks will make application at your present session, for an extension of their chartered privileges. It will therefore devolve upon you to determine the important question relative to the permanent, universal and impartial application of the principles of the general banking law to all existing special banks, or its entire abandonment, and a reversion of our State policy in regard to these institutions.

Free banking, as it is usually termed, is not an untried experiment, even in this State. Five or six banks at least, which have organized under the general law, are conducting a safe, useful and legitimate business. In some of the larger States, this system of banking has been extensively adopted, and has commended itself to public favor. Wherever tested, the results have been generally satisfactory, and have settled the question of its superiority as to public safety. While the average losses from insolvent special banks have been *eighty* per cent., those from free or security banks have been about *fifteen* per cent. Where the latter description of banks have done *bona fide* business, and not been banks of circulation merely, no material losses have occurred.

The system of free banking, which we have adopted, is believed to be in the main correct, and if fairly and honestly carried out, combines all the elements of security to the public, which human wisdom can devise. That it has been abused, and its salutary provisions evaded, is indisputable. I have not failed officially to indicate these abuses, and to suggest what I conceived to be a proper corrective. Some of these suggestions have been made the ground of legislative enactment, and have had the effect of relieving us of a depreciated currency, but not totally of banks which afford no aid to the business community. This evil could be easily remedied by requiring the location of all banks to be determined by the State bank commissioners or by the legislature. This would at once relieve the State of all merely nominal banks, and obviate the necessity of a tedious legal process to discontinue an unnecessary and fictitious bank. The organization of the special banks under the general law would have a great tendency to suppress illegitimate banking.

I can never abandon the position that *all issuers of bank notes should give full security for their ultimate redemption*. This is provided for by our general banking acts, and so far, is a public benefit. Though simply evidences of debt, bank notes usually pass as money, and are virtually a measure of value. The privilege of issuing such notes is an attribute of sovereignty conferred upon banking institutions, and should not be granted except upon safe grounds.

It would, I conceive, be invidious and unfair to permit one set of banks to issue their evidences of debt to pass as currency without

restraint, by which they may, to a great extent, by their own will, control the industrial operations of the whole community, with no reliable security to the public for over-issues, improvident management and unavoidable losses, and to require another set of banks to deposit with the state treasurer ample security for every dollar of paper issued. When we reflect that nearly one half of the banks heretofore chartered in this state have failed, the necessity of such security is apparent.

It may be objected that the free banks do not secure depositors. The deposit of money in any bank is a voluntary act on the part of the depositor, and is regulated by his confidence in those who manage it. As by all banks, deposits are made the basis of loans to their customers, they must be equally as safe in the free as in the special banks, the management of each being equal, in regard to which no distinction can be drawn. Though the deposit of money is voluntary, the use of bank paper is unavoidable. Every member of society is consequently liable to become the creditor of a bank, and is entitled to an assurance of its safety.

I feel constrained, therefore, to renew the recommendation in my annual message at the last session of the legislature, that legal provision be made to enable the special banks "to organize in accordance with the provisions of the general banking acts."

The average circulation of our banks on the 1st of July last, was as four of paper to one of coin on hand, with an amount due depositors nearly equal to the circulation. Some of the banks are of course in a less favorable condition, and would be seriously affected by a monetary crisis. It shows the obvious necessity of legal restraint upon bank issues.

As an expression of views I still entertain, permit me to present the following observations from my message of the 11th January, 1852:

"Such measures as effect an increase in the circulation of *real money* will diminish the liability to monetary fluctuations and bankruptcies. The abolition of small bank notes under the value of *five dollars* is earnestly recommended as promotive of that object. Experience has proved that it will be impossible to preserve the genuineness of our circulation while we allow paper money to assume so thoroughly the place of the precious metals. If the measure be made prospective and gradual, no evil will ensue, as specie will immediately flow in and supply the place of the prohibited bills. I would further recommend, after the expiration of two years, the prohibition of notes of a less denomination than *ten dollars*. The abundant influx of gold from the Pacific coast would render it not only entirely safe, but evidently feasible. If adopted by our sister States, it would greatly improve our circulating medium, and promote the prosperity of the country."

It would also most effectually produce a metallic circulation among consumers, and save the masses of the people from all losses in the use of worthless bank paper, while it would retain any advantage supposed to accrue from a paper circulation between dealer and dealer. Our State banks would no doubt cheerfully acquiesce in such a law. The unabated augmentation of the precious metals renders it highly probable that in a short period of time the issue and circulation of bank paper for

ordinary transactions will be altogether dispensed with, and should now be, so far as is consistent with safety and propriety. In a few years, all bills under *twenty dollars* can be abolished.

I am satisfied, however, that *fifty dollars* as the minimum denomination of bank paper should be our ultimate aim. If we excommunicate all small notes, whether of our own or other States, specie must necessarily flow in to supply their place. The smallness of our territory presents no serious objection. The constant trade with the large cities on our borders, would supply us with an abundance of the precious metals which no adverse policy of neighboring States could possibly prevent. The State which soonest adopts the use of coin by the expulsion of paper in the smaller business transactions, will outstrip all others in the permanent prosperity of every branch of useful industry. Bank explosions and individual bankruptcies would then be as rare as they are now frequent. No State occupies a more favorable position for the adoption of this policy than ours, as none has within herself a larger share of the elements of independent existence.

I would advise great caution in regard to any further extension of the basis of banking. Under the present arrangement, bank notes may be secured either by mortgages on real estate, United States stock, or the stock of some six States of undoubted credit; to which has been added, by an act of last session, the Jersey City Water Scrip, and the bonds of the city of Newark, to a limited amount. I consider it highly injudicious to allow the deposit of mere corporation stock as a security for banking. Safe discriminations could no doubt be made, but a pretext would be afforded, if the precedent were once established, of introducing the unsafe stocks of worthless institutions for purposes of speculation, with the certain effect of prostrating the whole system of banking upon security deposits.

It may be objected that the basis now authorized by law must soon become exhausted. This objection has no application to banking in New Jersey, where the basis is so extensive, and the amount of capital required is comparatively so small. With a united circulation of about *four millions of dollars*, the banks can experience no difficulty in procuring the authorized stocks without paying upon them a higher rate of premium than would be safe. The act of 10th March last, already alluded to, authorizes a further basis of eight hundred and fifty thousand dollars of municipal stocks. Real estate to the amount of one third of the capital of each bank is also admitted, and when mortgaged under the restrictions imposed by law, is a reliable security. The State stocks of New-York, Ohio, Virginia, Kentucky, Pennsylvania and Massachusetts, and national stocks, are quite sufficient, independent of other securities, for one half of the banking capital of the Union. The objection has therefore no force.

The basis allowed by statute is ample for all *bona fide* banking. There being an undoubted abundance of good stocks of superior value, it would be suicidal to admit those of an inferior value, while it would engender a spirit of reckless speculation, and foster, to the extent of the indulgence, a crisis in the monetary operations of the country.

I am satisfied, upon mature reflection, that the special banks in this State can and should secure their issues and conduct their business operations under the general law, and trust there will be no further hesitation on their part to comply cordially, and in good faith, with its provisions. A departure from true principle in the regulation of moneyed institutions, would continue the same liability which has heretofore existed to bankruptcies and public losses, and must produce a reaction which will utterly annihilate the whole paper money system.

In all cases, stockholders, as well as officers, should be absolutely liable for all obligations of their bank, without any regard to the character of their organization. This is a reasonable and just principle, and would contribute still more to secure bank creditors and prevent fraudulent failures. It has been tried in Scotland for thirty years past with highly beneficial results. With a banking capital of \$50,000,000, scarcely any losses have occurred: although several commercial crises have visited the country within that time, and thoroughly tested their soundness. They do a profitable business for themselves, and a safe and beneficial one for the community. Let the principle be engrafted upon our banking system, and there is no doubt of like favorable results.

The persistent evasion of the law by some of the free banks calls for prompt and efficient action on the part of the Legislature. They are of no advantage to the business community, and add nothing to our reputation as a State. I would recommend that an inquiry be instituted in regard to these banks, to the end that such as do not conduct a regular and *bona fide* banking business, may be dissolved. This may be done by the Legislature under the provisions of the 17th section of the general banking act.

Should the system of free banking become the settled policy of the State, it will be necessary to detach the management of bank affairs from the State Treasury, where it is now placed, and to provide a distinct organization, or "Banking Department," with a superintendent and such clerical\* force as may be required to conduct the business with correctness and dispatch.

### III. PENNSYLVANIA.

*Extract from the Message of Governor Bigler, 1854.*

THAT any system of banking that authorizes the emission of small paper as a medium of circulation, must entail evil consequences upon the country, has been too clearly demonstrated by our own experience to need elucidation by argument. It is believed, therefore, that it is the true policy of this and of all of the States, to restrict the paper circulation to notes of a large denomination. Those of a small denomination should be gradually withdrawn from circulation, in order to make room for the vast accession of the precious metals from California and Australia. In vain shall we seek to disseminate coins throughout the country, and

\* This word is frequently used as a substitute for *clerkly*. Clerical is properly used only as applied to the clergy.—[*Eu. B. M.*]

induce their circulation at points remote from the Atlantic cities, so long as smaller paper is permitted to exist. If notes of the denomination of five dollars were withdrawn from the channels of circulation, the vacuum thus created would be rapidly supplied with gold and silver, and so also with those of a greater nominal value. But so long as this paper medium is permitted to circulate, it will be impracticable to induce the general diffusion of coin.

The people inquire why it is, that with the vast increase of gold, so little is seen. The answer is, that bank notes always intervene. The trader, merchant and others retain the coin and pay out the paper; and the only remedy is to be found in the removal of the latter. There is, perhaps, no principle applicable to this question better settled, than that which proves that two kinds of currency, differing in value, will not circulate together. The least valuable will constantly be obtruded, whilst the more precious will be displaced. The gradual withdrawal of the smaller denomination of paper, presents to my mind the greatest practical reform that can be applied to our system of currency. The exchange of one paper system for another, and the incorporation of restrictions on this or that point of the one we have, although often right and necessary, can never eradicate the evil.

I would not, however, be understood as favoring a very sudden alteration in our system of currency, regarding, as I do, all violent changes in the policy of government as unjust and oppressive. All the business arrangements of the country are based upon our present plan, and it is so interwoven with the general affairs of life, as to forbid its rapid withdrawal. But the beginning should be made, and we should prepare to throw off a system which will, in the future, to a greater extent, perhaps, than in the past, render our country tributary to her rivals, and make our people "hewers of wood and drawers of water to other nations." No other reform in the political policy of this nation, I sincerely believe, would have such a direct tendency to promote all the great interests of the American people. A practical, safe and efficient mode of carrying out this work, is to be found in the gradual extinguishment of bank notes of a small denomination.

This reform, however, to be complete, and to give the people the full benefit of its salutary effects upon our commercial operations with other nations, must be common to the whole country. The efforts of a single member of the confederacy, however thorough and well directed, can achieve but partial success. Even in a local point of view they can scarcely exercise a controlling influence. For instance, vacuums in the channels of paper circulation in one State are too liable to be supplied by the issues of others, interdicted, though the circulation of the latter may be by positive law. These considerations have suggested the importance of a simultaneous action of the States on the subject, and it has occurred to my mind, that a convention of delegates from each, appointed by the respective legislatures, might be a good mode of directing public attention to the subject, and securing efficient action.

In the meantime our State can take the lead in this work, as she can also carefully restrict the evil tendencies of the present system, by requiring the institutions now in existence to make more frequent settle-



ments, and render more efficient her present system, by confining the amount of banking capital, as a basis of paper issue, to the lowest point consistent with the demands of legitimate business. I believe the amount we now have comes up to this standard, and that the best interests of the people require less.

The House of Refuge, in Philadelphia, may possibly require further legislation. The board of managers of that truly charitable institution are now erecting a spacious and costly building, into which they expect to transfer the inmates of the old house at an early day. Of all schemes for the amelioration of human distress and suffering, or for the reclamation of erring humanity, there is no one which more forcibly commends itself to Christian sympathy and support than the House of Refuge: having for its sole aim the reformation rather than the punishment of the young, whose offences are often the result of misfortune rather than criminal intent; who sin through the weakness of moral perceptions, or from impure associations, which so fatally attract and mislead the young and thoughtless. I cheerfully and earnestly commend this admirable institution to your fostering care.

A VETO MESSAGE BY GOV. BIGLER.

*To the Senate and House of Representatives of the Commonwealth of Pennsylvania:*

GENTLEMEN:—On the day of the final adjournment of the last Legislature, Senate bill No. 766, entitled "A Supplement to an act regulating banks, approved 16th of April, 1850," was presented for my sanction. A very slight examination of this measure satisfied me that duty required that I should return it to the house in which it originated, without the executive approval.

The first and only section of importance, reads as follows, to wit: "That from and after the passage of this act, the total liabilities of any bank in this Commonwealth, exclusive of the capital stock and deposits, shall not, for any period of thirty consecutive days, exceed three times the amount of the capital stock paid in, nor shall the debts of any kind, due and to become due to the said banks, exclusive of notes of specie-paying banks, belonging to said banks, and balances standing to the credit thereof in specie-paying banks, for any period of thirty consecutive days, amount to more than four times its capital stock paid in; and the said banks shall neither loan nor discount when their circulation may be equal for thirty consecutive days to three times the amount of specie, States and United States bonds, notes of specie-paying banks in their possession belonging to said banks, and any credit standing to the credit thereof, in specie-paying, convertible into specie at the pleasure of said banks.

It is alleged as a reason in favor of the proposed law, that at certain seasons of the year the banks are offered deposits to such an extent as to preclude the creation of other liabilities—that these institutions are frequently prevented loaning and discounting for the accommodation of the business community by means of these excess deposits—that the terms of their charters are liable to violation by the act of a single customer

who may desire to make large deposits for a short period—that the banks are thus forced to refuse deposits, and again to seek them within a brief period, and that as a consequence their operations are unsteady, and frequently unsatisfactory to the public.

That there is some force in their views, will not be denied, nor will it be, after full examination, that the remedy proposed in this bill is worse than the evil itself. If deemed necessary, the inconvenience complained of might be remedied by providing that when the deposits shall equal the amount of the capital stock, or such per centage thereon as may be deemed proper, the excess should not be counted as liability, in the meaning of the general law. But the exemption of the entire amount of deposits, as proposed in the bill under consideration—the removal of the restrictions in reference to the amount of debts due and to become due, with thirty days time to transgress and return to duty, and the debts due from one bank to another remaining as a basis for papers issued, would, in my opinion, be a most hazardous experiment; one that could scarcely fail to produce the most mischievous consequences to the business community, and ultimately to the banks themselves, by inducing an extended and baseless paper circulation.

It may be said that the general law of 1850, and the proposed bill, are precisely similar as to the basis of circulation, and that the reasoning just used will weigh against both. The answer is, that in the former, balances due from one bank to another, are counted as debts due, and in the latter, they are expressly excepted from this restriction, and that, therefore, under the law of 1850, the banks have no inducement to become indebted to each other, whilst under the proposed bill, with all the deposits excepted from liability, they have an unrestrained invitation to become indebted to each other in order thereby to create a sufficient basis for their circulation. The practical tendencies of this measure would be not only to afford the opportunity, but induce the banks to issue paper to three times the amount of the capital stock paid in, without a dollar of specie basis.

With the balances standing between the banks, excepted from the restriction as to the amount of debt that may be due to a bank, and these balances treated as a basis of circulation, this effect would be inevitable. For instance, let us imagine three or four banks in the same vicinity, with a circulation exceeding three times the amount of specie, bonds, &c., on hand; the proper remedy for such a state of affairs would seem to be an increase of specie; but under the proposed law, mutual indebtedness would answer just as well. It would only be necessary to swell the balance in order to come within the limits, and with thirty days time as a sliding scale, there would be no difficulty in the operation. It must be perceived, therefore, that under such a law a system of paper money could be bolstered up with no other basis than the debts due from one bank to another, and the notes of each other.

To exhibit still farther the palpable weakness and danger of this proposed system, it may be remarked that the notes of one bank held by another are also held excepted from the restriction which provides that the debts due and to become due, shall not exceed four times the amount

of the actual capital stock, and are at the same time a basis of circulation; two banks in the same town could always maintain an ample basis by exchanging notes. It may be said that this would be of no use to the banks; but it must be remembered that in this instance, as in the case of balances due, they could transcend the limit twenty-nine out of every thirty days; for under this law they are to be forgiven, unless they transgress for thirty consecutive days—one day of duty being rated equal to twenty-nine of error.

The law of 1850 is well enough in some of its features, and weak enough in others, and that part of it which treats notes of specie-paying banks and the balances due from banks, as a basis of paper circulation, would be intolerable if it were not that it at the same time holds these notes and balances as debts due or to become due, and in this way restrains the opportunity to expand that as furnished in the proposed supplement.

In the great work of furnishing a circulating medium, we should look almost entirely to its safety and soundness. Matters of convenience for the banks and their customers—the profits and losses of those engaged—are considerations secondary to the security of the public in the use of a medium which all are compelled to use. The convenience and safety of depositors and customers should not be overlooked, but the interests of the note-holder stand pre-eminent. If, therefore, the ends of convenience for the banks and their patrons can be promoted without hazard to the note-holder, or inducing the emission of an improper amount of paper, the measure would scarcely be liable to objection. But the bill under consideration is not of this character. Its evident tendency would be to extend the business and issues of the banks to the amount of many millions, without adding a farthing to their real capital and means of payment, beyond the notes discounted.

The experience of the past seasons fully confirmed my apprehensions as to the effect of this measure, and I cannot doubt that had it been adopted, and the privilege which it would confer been fully exercised, the bad consequences, ere now, would have been extensively felt and acknowledged. I am also confident, that in the confusion and excitement incident to the near approach of the final adjournment, when the measure was considered, the members of the General Assembly had not a full opportunity of reflecting upon its consequences, or it would have been rejected.

All inducements to an expansion of our paper system should be carefully avoided, for experience manifests that the full latitude of the law will be occupied. Neither the severe lessons of experience nor the voice of admonition will be sufficiently restraining where large gains are in view. Nothing but positive law and penalties will reach the end. It is a well-known fact, that during last summer the institutions of our own metropolis, led to extend their business with a view to enlarged profits, were closely pressed, at times, to meet their engagements; and it has frequently been intimated to me by experienced business men, that an efficient guard against such hazard in the future, could be found in a law requiring very frequent settlements among the banks.

WM. BIGLER.

EXECUTIVE CHAMBER, Harrisburg, January 5, 1854.

## IV. TENNESSEE.

GOVERNOR JOHNSON, in his late message to the legislature, says :

The Bank of Tennessee is represented, in a report made by the President to the General Assembly on the 10th day of October last, as being in a sound and prosperous condition. While the bank is undergoing an investigation by a committee appointed by the Legislature for that purpose, I will refrain from expressing any opinion in regard to its present condition, or making any definite recommendations as to what course the General Assembly ought to take in reference to its future management, more than, however, barely to suggest that the present would be a very auspicious time to put the principal and all the branch banks into gradual liquidation ; giving ample and reasonable time to all persons who are indebted to the institution, to make arrangements for paying the amount they owe. The process of winding it up at the present time can be made so gradual and easy, as not to embarrass the indebted portion of the community in the smallest degree.

A number of banks have gone into operation under a law passed by the last General Assembly, and others, no doubt, will soon commence ; which will more than supply the vacuum created by the withdrawal of the Bank of Tennessee, and furnish all the banking facilities needed by the whole business portion of the country. As the capital of the bank is withdrawn, it can be profitably invested in the bonds of the State, bearing an interest of six per cent. per annum, which will be the safest and most judicious investment that can be made with the common school and other funds which are now in the Bank of Tennessee, and under the control of the State.

If the State can, in any reasonable time, dispose of the stock owned in the Planters' and Union Banks upon good terms, and all other stocks owned by the State, it would be equally wise, safe and judicious to make a like investment with the proceeds of such stocks in the six per cent. bonds of the State. The number of internal improvement works which have been commenced, and which are entitled to aid by law from the State, and the great number of others that are to be commenced, which will require the issuance of a large amount of State bonds, amounting to many millions of dollars, will absorb the entire capital of the State Bank, and all the stocks owned by the State, if they are invested in the bonds of the State, as already indicated ; which investment, in my judgment, will be far safer and more profitable in the end, than in any bank, State or private.

## V. OHIO.

The banks and the Legislature of Ohio are at variance, in consequence of the heavy and unequal taxation inflicted on the former, which is fast driving the bank capital from the State. The Governor, in his last message, says :

"The banks, acting under charters from the General Assembly, form

the only formidable exception to the general acquiescence in this just and equitable rule. They have appealed from the State authorities to the Court of the United States, in consequence of which I have been under the necessity of engaging counsel to represent the interests of the State before that tribunal.

"A similar course was formerly pursued by an institution established in our midst by federal authority, and which, therefore, instinctively looked to federal protection and support. The Bank of the United States, it is true, was particularly successful at Washington, but where is it now? The people have advanced with unprecedented rapidity in all the elements of prosperity and greatness, while not one trace or vestige of that proud institution is to be found within our borders. On the part of the State banks, this course is the more reprehensible, as the appeal is made by foreign stockholders, upon whom the State has bestowed rights of an exclusive and highly lucrative character.

"They, too, complain of high taxes. I have already remarked with some freedom on this subject, and it is gratifying to find that these institutions, impelled, probably, by their own interests, are beginning to unite with the great body of the tax-payers of the State, in laboring to promote a greater degree of economy in all public expenditures.

"It is incorrect to suppose that the original policy of taxing banks on their profits only was adopted with any view of taxing them less than individuals. On the contrary, it was claimed to be a higher grade of State taxation, and the banks often boasted that prior to 1846 they paid more than individuals. The growing magnitude of State, especially of taxation, however led the people to demand that these institutions should, equally with themselves, be brought within the range. Hence arises the present conflict.

"The higher grade of State taxation placed in the charters become in the course of time a lower one even for State purposes, to say nothing about the local and many other burdens which are necessarily borne by individuals. An effort was made in 1846, at a time when the whole basis of the revenue laws was changed, and when the inequality referred to became clearly apparent, to subject the banks, not as formerly to a higher and special rule of taxation, but to the same that was prescribed for and imposed on individuals. This effort, so fair and equitable at the time, was successfully resisted. It continued, however, to be insisted upon, and the provision upon that subject in the new Constitution has been the result. This provision relieves the banks from payment of the rates contained in their charters, and which they alleged were so much greater than those paid under the general revenue of the State, and only requires that 'all property employed in banking shall always bear a burden of taxation equal to that imposed on the property of individuals.' This burden is now heavy, but constantly increasing duplicates will, in a very few years, greatly reduce it. The amount required to meet the interest on the public debt is annually diminishing, and the temporary causes that now tend to keep up the taxes, will soon disappear. The banks can therefore gain but little by a perseverance in their present course, while injury and final ruin may be the consequence.

## VI. VIRGINIA.

IN the Virginia House of Delegates the following communications were received, having reference to the recharter of the Bank of Virginia, and the Farmers' Bank of Virginia.

BANK OF VIRGINIA, RICHMOND, Jan. 12, 1854.

SIR:—I have the honor to send you the enclosed resolutions, which were unanimately adopted by the stockholders of this Bank in general meeting.

I hope it will be the pleasure of the Legislature favorably to consider and to grant the charter for which I make application on behalf of the Stockholders of the Bank of Virginia, as requested by their resolution.

Very respectfully, your obedient servant,

JAMES CASKIE, *President.*

To the Honorable OSCAR M. CRUTCHFIELD,

*Speaker of the House of Delegates.*

*Resolved*, That as the charter of this bank will expire, as it is now fixed by law, on the first of April, 1857, and the sessions of the Legislature are biennial, it is expedient to ascertain, by applying to the Legislature now in session, whether it may be its pleasure to continue the bank, and, therefore, that the President cause an application to be made for a charter for a period of not less than twenty years, with such provisions in respect to an increase of capital as the improving condition of the State would seem to require.

*Resolved*, That the public interest, not less than that of Stockholders, will be advanced by continuing the bank, under a charter of fixed and liberal provisions, and if it shall please the Legislature to grant such an act of incorporation, that the President convene a special meeting of the Stockholders to pass on the acceptance thereof.

The Speaker also laid before the House the following communication:

FARMERS' BANK OF VIRGINIA, Jan. 12, 1854.

SIR:—I have the honor to present the enclosed resolutions, adopted by the Stockholders of this Bank in their general meeting yesterday, directing an application to be made to the Legislature for a charter, extending this bank for twenty years.

This application, in obedience to one of the resolutions, I have the honor now to make, and to express the hope that it may please the Legislature to grant a charter, with such liberal provisions and increase of capital as may maintain and enlarge the usefulness of the institution.

I am, with great respect, your obedient servant,

WM. H. MACFARLAND, *President.*

To THE HON. OSCAR M. CRUTCHFIELD,

*Speaker of the House of Delegates.*

The Legislature must determine, during its present session, whether the existing system of banking shall continue. The charters of the banks expire in 1857; and, as it is essential that they should make some preparation for their fate, if it be determined not to prolong their existence, they will doubtless apply to the present Legislature for a continuance of their corporate privileges.

We do not know that opposition exists in any quarter to a renewal of the charters of the banks. There was a proposition some time since to substitute the system of "independent banking," but experiment has not so triumphantly vindicated the wisdom of this principle, as to induce the public to sacrifice a system which has operated in the main equally to

the advantage of the State and the community. In his message, the Governor urgently recommends a renewal of the charters of the banks, and we doubt not the action of the Legislature will be in accordance with this suggestion.

There is certainly nothing in the financial condition of the State to warrant any hazardous experiments with its monetary relations. With a redundant treasury the State might undertake to test the schemes of speculators; but with a debt of \$20,000,000, it will best consult its interests by a tenacious adherence to a system which gives it a guaranty at least of safety and security. The interests of the community are manifestly identical with those of the State. Experience proves that the present system of banking is not liable to the abuse of sudden contraction and expansion, and that it has very much facilitated the operations of the commercial community. There is no indication of popular discontent with this system; on the contrary, it is very evident that the public regards it with favor.—*Richmond Enquirer*.

## VII. WISCONSIN.

THE GOVERNOR SAYS :

The practical working of the banking system of our State, though failing to supply the increasing demand for currency, has demonstrated beyond a reasonable doubt, that the law on that subject was well devised. Information derived from the Comptroller, whose report will be duly laid before you, enables me to exhibit the following facts connected with that department. On the first day of January, 1854, the whole number of banks established under the law was ten.

Amount of circulating notes issued by the Comptroller,..... \$519,000  
Amount of securities deposited with the State Treasurer,..... 529,000

All of the above securities are State stocks, upon which the interest has been promptly paid.

OFFICE OF BANK COMPTROLLER, *Madison, Wisconsin*.

The whole number of banks doing business under the general banking law, on Monday, January 2d, 1854, was ten. The total amount of circulating notes issued to such banks, outstanding on that day, was \$519,814; for the redemption of which, securities have been assigned, in trust, to the State Treasurer, amounting in the aggregate to \$529,000.

The following is a statement, in detail, of the securities held for each of said banks, and the amount of circulating notes issued on the same, viz.:

### STATE BANK, *Madison*.

Georgia State Stock, 6 per cent.,.....	\$15,000
Wisconsin do. 8 do. ....	20,000
Missouri do. 6 do. ....	15,000
	<hr/>
	\$50,000
Circulation,.....	48,800

WISCONSIN MARINE AND FIRE INSURANCE COMPANY, *Milwaukee.*

Wisconsin State Stock, 8 per cent.,	\$20,000
do. do. do. 7 do.	30,000
	<hr/>
	\$50,000
Circulation,	49,995

BANK OF RACINE, *at Racine.*

Virginia State Stock, 6 per cent.,	\$5,000
Missouri do. 6 do.	35,000
Tennessee do. 6 do.	10,000
	<hr/>
	\$50,000
Circulation,	47,000

ROCK RIVER BANK, *Beloit.*

Virginia State Stock, 6 per cent.,	\$40,000
Kentucky do. 6 do.	5,000
	<hr/>
	\$45,000
Circulation,	44,998

CITY BANK OF KENOSHA, *at Kenosha.*

Virginia State Stock, 6 per cent.,	\$25,000
Kentucky do. 6 do.	13,000
Georgia do. 6 do.	12,000
	<hr/>
	\$50,000
Circulation,	49,994

STATE BANK OF WISCONSIN, *Milwaukee.*

Virginia State Stock, 6 per cent.,	\$40,000
Tennessee do. 6 do.	40,000
Kentucky do. 6 do.	6,000
Missouri do. 6 do.	48,000
	<hr/>
	\$134,000
Circulation,	131,592

WISCONSIN BANK, *Mineral Point.*

Wisconsin State Stock, 7 per cent.,	\$20,000
Missouri do. 6 do.	20,000
Tennessee do. 6 do.	5,000
Virginia do. 6 do.	5,000
	<hr/>
	\$50,000
Circulation,	48,994

FARMERS AND MILLERS' BANK, *Milwaukee.*

Tennessee State Stock, 6 per cent.,	\$7,000
Kentucky do. 6 do.	43,000
	<hr/>
	\$50,000
Circulation,	49,500

JEFFERSON COUNTY BANK, *Watertown.*

Virginia State Stock, 6 per cent.,	\$50,000
Circulation,	25,000

BADGER STATE BANK, *Janesville.*

Missouri State Stock, 6 per cent.,	\$25,000
Circulation,	23,742

The foregoing statement is made in compliance with the last clause of the 41st section of the act entitled "An act to authorize the business of banking," approved April 19, 1852.



## LIST OF BANKS IN THE CITY OF NEW YORK.

<i>Names.</i>	<i>Date of 1st Charter.</i>	<i>Date of Association.</i>	<i>Capitals,</i>
		1784, June 9,	1854.
Bank of New York, . . . . .	1791, March 21,	1852, Dec. 31,	\$1,500,000
Manhattan Company, . . . . .	1799, April 2,	....	2,050,000
Merchants' Bank, ( <i>com. business in 1803.</i> )	1805, June 7,	....	1,490,000
Mechanics' Bank, . . . . .	1810, March 28,	....	1,440,000
Union Bank, . . . . .	1811, March 1,	1853, Jan. 1,	1,300,000
Bank of America, . . . . .	1812, June 1,	1852, Dec. 1,	2,000,000
Phoenix Bank, . . . . .	1812, June 15,	1854, Jan. 2,	1,900,000
City Bank, . . . . .	1812, June 6,	1851, Dec. 30,	1,000,000
North River Bank, . . . . .	1821, ....	1842, July 1,	655,000
Tradesmen's Bank, . . . . .	1823, ....	....	400,000
Fulton Bank, . . . . .	1824, March 1,	1844, March 1,	600,000
Chemical Bank, . . . . .	1824, April 1,	1844, Feb'y	300,000
Dry Dock Bank, . . . . .	1825, April 14,	....	200,000
Merchants' Exchange Bank, . . . . .	1823, June 1,	1849, June 1,	1,235,000
National Bank, . . . . .	1829, April 30,	....	750,000
Butchers and Drovers' Bank, . . . . .	1831, April 8,	1852, Feb. 25,	600,000
Mechanics and Traders' Bank, . . . . .	1830, April 15,	....	200,000
Greenwich Bank, . . . . .	1830, April 17,	....	200,000
Leather Manufacturers' Bank, . . . . .	1832, April 28,	....	600,000
Seventh Ward Bank, . . . . .	1833, April	....	500,000
Bank of the State of New York, . . . . .	1836, May 18,	....	2,000,000
American Exchange Bank, . . . . .	....	1838, July 17,	2,000,000
Mechanics' Banking Association, . . . . .	....	1838, Aug. 1,	632,000
Bank of Commerce, . . . . .	....	1839, Jan'y 1,	5,000,000
Bowery Bank, . . . . .	....	1847, April 20,	356,650
Broadway Bank, . . . . .	....	1849, Aug. 9,	600,000
Ocean Bank, . . . . .	....	1849, Dec. 10,	1,000,000
Mercantile Bank, . . . . .	....	1849, Dec. 23,	800,000
Pacific Bank, . . . . .	....	1850, Oct. 17,	422,700
Bank of the Republic, . . . . .	....	1851, Jan. 20,	1,500,000
Chatham Bank, . . . . .	....	1851, Feb. 1,	450,000
People's Bank, . . . . .	....	1851, Feb. 8,	412,500
Bank of North America, . . . . .	....	1851, Feb. 25,	1,000,000
Hanover Bank, . . . . .	....	1851, Mar. 24,	1,000,000
Irving Bank, . . . . .	....	1851, April 4,	300,000
Metropolitan Bank, . . . . .	....	1851, April 7,	2,000,000
New York Exchange Bank, . . . . .	....	1851, April 21,	130,000
Citizens' Bank, . . . . .	....	1851, May 20,	250,000
Knickerbocker Bank, . . . . .	....	1851, July 16,	400,000
Grocers' Bank, . . . . .	....	1851, Aug. 1,	300,000
Empire City Bank, . . . . .	....	1851, Dec. 30,	308,000
Suffolk Bank, . . . . .	....	1852, June 26,	250,000
Nassau Bank, . . . . .	....	1852, Aug. 1,	500,000
East River Bank, . . . . .	....	1852, Sept. 8,	413,050
Market Bank, . . . . .	....	1852, Nov. 1,	550,000
St. Nicholas Bank, . . . . .	....	1852, Nov. 22,	500,000
Shoe and Leather Bank, . . . . .	....	1852, Nov. 23,	600,000
Corn Exchange Bank, . . . . .	....	1853, Dec. 6,	600,000
Central Bank, . . . . .	....	1853, Jan. 17,	300,000
Continental Bank, . . . . .	....	1853, Jan. 18,	1,500,000
Bank of the Commonwealth, . . . . .	....	1853, Mar. 1,	750,000
Oriental Bank, . . . . .	....	1853, April 19,	300,000
Marine Bank, . . . . .	....	1853, May 5,	500,000
Bank of the Union, . . . . .	....	1853, May 23,	300,000
Atlantic Bank, . . . . .	....	1853, May 25,	400,000
Island City Bank, . . . . .	....	1853, July 21,	300,000
Eighth Avenue Bank, . . . . .	....	1853, Aug. 30,	300,000

## AUSTRIAN FINANCES.

From the London Times.

VIENNA, September 6.

THE Vienna Exchange has exhibited a stability and firmness in the prices of Austrian stock throughout the exciting events of the last three or four months, which must have astonished many a stock-exchange man at home. During this same period, what extraordinary ups and downs have been experienced on the Paris bourse! Every genuine or invented telegraphic dispatch from the east has told its tale there with unprecedented effect. Even the London Stock Exchange, though the steadiest in the world, was now and then seriously affected by the aspect of affairs. The same observation equally applies to several other important markets, such as Amsterdam, Berlin, and Frankfort-on-the-Main. It is, therefore, the more singular that, on the Vienna bourse alone, the fluctuations in the price of State securities were, throughout this period, comparatively unimportant. True, attempts may be made to account for this phenomenon by the fact of the greater proximity of Vienna to the scene of action (or rather of inaction;) but although this circumstance may not have been without its beneficial influence, it is certain that the cause of the firmness of this market during the recent events in Turkey, must rather be sought in the increased stability of Austrian credit at home, and in the improvement of the public prosperity of the country at large. If we consider the state of the currency in Austria, which, though considerably ameliorated, is as yet by no means definitively regulated, and consequently is still a serious impediment to all transactions and speculations—and if we further take into account the heavy payments which the recent emission of the new bank shares and of those of the new discount bank has involved—it will be evident that the present stability of prices must be largely due to causes of a general and permanent nature. And if we also bear in mind the heavy pecuniary drains on the money market, caused by the large payments for the new shares of the Northern Railway, issued for its extension into the very heart of Galicia—for the instalments due on the last State loan—and, finally, for the instalments due on the loans raised by several great industrial establishments, as, for instance, the Austrian Lloyd Steam Navigation Company, for the purpose of extending their activity generally, and especially on the river Po, and the Danube Steam Navigation Company, whose operations have been vastly increased on the Theise, the Maross, the Drave, and the Save—engagements which, amounting to nearly 150 millions of florins, (£15,000,000 sterling,) weighed peculiarly heavy upon the money market at a time when general apprehensions of a European war were entertained—it will become evident to every impartial observer, that the remarkable firmness of the Vienna Stock Exchange during the last four months is mainly attributable to the improved internal condition of the empire. This opinion is supported also by other evidences of public welfare.

The telegraphic advices at London from Vienna, show an improvement in the money market, as if favorable intelligence had been received that had not transpired. The Austrian government is seeking another loan in the London market, which is not well encouraged. A semi-official pamphlet, giving an *exposé* of the Austrian government finances, had recently been issued, with a view to produce a better impression among English capitalists. It appears that, notwithstanding these publications, the financial affairs of Austria are becoming worse than for a long time past. There is an obvious deficit of 45,000,000 florins in the official estimates of income, and extraordinary expenses of 50,000,000 florins, making, together, a deficiency of ninety-five millions of florins, or £9,500,000 sterling. The organs of the finance circles in England maintain, "that where loans are known to be proposed for the express purpose of maintaining a despotic power, and for promoting the spread of civilization, that all such contracts ought to be censured by a free people."

The customs revenue of Austria exhibit a decline, in the face of a largely increased public debt, as will be seen by the annexed summary :

	Year 1847.	Year 1848.	Year 1849.
Duties on importation,.....	£1,756,040	£921,920	£1,061,560
"    exportation,.....	163,320	30,064	39,400
"    transit,.....	12,160	5,200	5,080
	<hr/> £1,981,520	<hr/> £957,184	<hr/> £1,106,040

The total debt of Austria, in the year 1849, was about £120,000,000 sterling; and the addition to 31st January, 1850, amounted to £22,000,000, and every subsequent year has shown a deficiency. Austria has had recourse to the Bank of Vienna, and has become a debtor to that institution to the extent of £5,700,000.

## DECIMAL COINAGE IN GREAT BRITAIN.

THE report of the select committee on the Decimal Coinage, appointed on the motion of Mr. William Brown, of Liverpool, has just been printed, and is a clear and concise document. It appears, as might have been expected, that all the witnesses examined were unanimous respecting the advantages that would attend the introduction of the decimal system, and that the only open question among them was with regard to the relative ease and superiority of the various methods suggested for its accomplishment. The committee point to the fact of England having permitted herself to remain without this improvement in the face of its general adoption in the different countries of the world, among which unbroken evidence of its value has since been afforded by the constant tendency to extend its application not only in the case of money, but also as respects weights and measures; and they then deal with the only two considerations that require to be met for its introduction. One of these is the popular prejudice, resulting from ignorance and indolence, against alterations of any kind, and the other is the necessity of re-arranging the

terms of all pecuniary obligations expressed in coins which would be abolished or changed in value by the new arrangement. Neither of them, however, presents the slightest difficulties beyond such as a rational people would be ashamed to recognise. The first is absolutely below notice, and although the committee, while they rightly designate it as a matter upon which it is out of the question to argue, seem to consider it the more serious of the two, there is reason to hope that, in doing so, they under-estimate the intelligence of the working classes, more especially as they admit that the witnesses who have spoken of the probable feeling of these parties, state a conviction that the proposed change would quickly be understood and appreciated. The committee mention, at the same time, precedents which should remove all doubt upon the subject. In the United States, the old system of pounds, shillings and pence was superseded by the decimal system of dollars and cents, without any inconvenience having been caused; and in Ireland, when the 13 pence, which at one time constituted an English shilling, were replaced by 12 English pence, although a prejudice was originally felt among the poor, from their receiving only 12 coins of the same name as those of which they had previously got 13, soon found that the injury was imaginary. With regard to the various contracts and prices which would have to be re-arranged, the extent of the alterations rendered necessary would depend on the exact system adopted. The plan recommended by the committee is, that the pound should be the unit, and that the relations of the several coins should be as follows:

	<i>Mills.</i>		<i>Mills.</i>
Sovereign,.....	1000	New silver coins,.....	{ 20
Half-Sovereign,.....	500		{ 10
Crown,.....	250		{ 5
Florin,.....	100	New copper coins,.....	{ 2
Shilling,.....	50		{ 1
Sixpence,.....	25		

Under this plan, the existing three-penny and four-penny pieces would be put out of circulation, and, in place of the penny, a new copper coin would be introduced, equal in value to the 10th instead of the 12th part of a shilling. The payments that would be affected by the alteration are all the minor ones at present made in pennies, half-pennies and farthings, and although no inconvenience would arise in the sale of goods, since the size of a penny loaf or any other article would be altered by the dealer to correspond with the altered value of the coin he receives for it, there are cases, such as tolls on railways, bridges, ferries and roads, in which private interests are concerned, that would have to be the subject of adjustment, since if, instead of charging one penny, or four farthings, as at present, the nearest equivalent toll under the decimal system, namely, one of four mills were substituted, the change would involve a loss to the receiver of the toll of four per cent.; while, on the other hand, raising the toll to five mills would involve a loss to the payer of twenty per cent. The case of the penny postage, also, is an important element in this part of the matter, as well as the new penny receipt stamp. While consider-

able discontent would, in the opinion of Mr. Rowland Hill, be excited by raising the postage charge to five mills, and thus making an addition to it of twenty per cent., the adoption of four mills, involving a reduction of four per cent., would cause a loss to the revenue of £100,000. All these things, however, merely relate to the way in which the great principle should be carried out, and have nothing to do with the question as to whether it should be carried out or not. On that point the conclusion of the committee is unequivocal and emphatic, and they consequently urge the necessity of decisive action. Hence, as the commercial community have, for many years past, expressed their wishes for the change, and the evidence just collected from the best authorities is unanimous on the evil of neglecting it, the responsibility of further delay must now rest with the Government. At the same time, there is no reason to apprehend disappointment in that respect, their recent statements on this subject having indicated a desire to avoid remaining, with regard to it, in the rear of public opinion.—[*London Paper.*]

A public meeting was held at Liverpool on the 28th Dec., in reference to the decimal system of coinage and of accounts recommended for adoption throughout Great Britain. The Mayor took the chair. Among the gentlemen present were—Mr. Horsfall, M. P.; Mr. Brown, M. P.; Mr. Thornely, M. P.; Messrs. J. P. Heywood, W. Earle, W. Rathbone, Josias Booker, Alderman Bennett, G. Grant, John Campbell, T. Bold, F. A. Clint, R. Benn, W. J. Tomlinson, Charles Holland, James Aikin, John Aikin, E. Proctor, F. A. Hamilton, J. R. Jeffery, J. B. Barclay, H. Neill, C. Robertson, John A. Tinney, T. Moore, E. Heath, J. Baron, K. Dowie, T. Bouch, J. A. Pieton, James Smith, R. Gill, T. D. Anderson, E. Higgin, Dr. Ihne, M. McIlveen, W. Ashley, James King, H. Dowie, W. Smith, &c., &c.

Mr. William Brown, M. P. for Liverpool, addressed the meeting, and read a letter from Lord Stanley, in which he promised to aid the decimal reform. Speeches were made by Mr. Bouch, Vice-President of the Liverpool Chamber of Commerce, Mr. Horsfall, M. P., Mr. Heywood, and others; and great unanimity prevailed in the proposition to memorialize Parliament on the subject. And it was thought that on the 1st January, 1855, the Government would bring their balances down on the new system.

---

A CURIOUS DEPOSIT.—A painting, the property of a broker in Anderston, was recently confided by his daughter to a Pole, for the purpose of having it glazed. The owner, on missing the picture, betrayed an unusual anxiety as to its whereabouts; which, however, was somewhat natural, seeing that he had been in the habit of depositing bank notes for safety between the back and the canvass. Upon discovering into whose possession it had fallen, the broker instantly repaired to the Pole, and, on unscrewing the back, found, to his great mortification, that six one pound notes had been abstracted. Information was immediately conveyed to the police, who had the glazier's house searched, but none of the money turned up; and it having since transpired that the picture with the hidden treasure had passed through other hands before it reached the Pole, he has been discharged from custody.—*North British Daily Mail.*

## NATIONAL LIFE INSURANCE TABLES.

From the London Spectator.

It is but recently that the genuine character of life insurance, and of the other kinds of insurance which might be called branches of that, has become rightly appreciated; and it is interesting to observe, when once a principle is struck out, how soon its application to new forms starts to the mind, and how the general comprehension of the subject assumes wholeness and distinctness:—

At first, life-insurance was devised as a means of taking security against failure in the payment of loans or advances; and it is rather remarkable that the original purpose has been so far forgotten, that the granting of loans upon life-assurance has been popularly regarded as quite a modern improvement. The more usual purpose of the insurer is to effect that which is the best result—a special saving, with the largest ultimate produce, and with the least expenditure of means. This is the true purpose. For general saving without definite aim, there is no plan superior to that of laying by—not “hoarding,” but making such investment as permits the recall of the original capital. Most persons, however, who are induced to save, do so with a particular object; and here the uncertainties of human existence suggest a mode of effecting the object with economy. If it is to leave a sum of money to dependents, then various contingencies enter into the calculation. The dependents may die, or the person who is to make the bequest may survive to a great age, or may be cut off before he has effected the accumulation of the sum in question. In the individual case, these chances may either defeat his purpose, or, to render it certain, he must bestow an amount of trouble and accomplish an amount of saving beyond that which is absolutely necessary. By the association with many persons under similar circumstances, he is enabled to equalize and correct these contingencies one against another; and hence it follows, that with a given deposit annually, he may either secure a larger amount upon a certain contingency, or he may secure a fixed amount upon a certain contingency with a diminished annual deposit. The whole spirit of the transaction, however, involves two things—exemption from making a larger deposit than is actually necessary for the purpose, and securing the particular sum assured without chance of failure.

It is in order to effect this double object that insurance tables have been constructed. There have been various tables in use—the Northampton Table, constructed by Dr. Price in the last century, about 1782, the Carlisle Table, and a table compiled from the experience of several insurance companies, called the Experience Table. When these tables were framed, however, the data for such purposes did not exist in the abundance secured since the establishment of the Registration Office. It was supposed, in the first instance, that insurance offices would be burdened with lives of precarious duration; as the sickly were expected to rush for security against the consequences of their own infirmity. Subsequent experience suggested the contrary extreme—that the lives would all be of a superior cast, as self-selected from the more moral, more tem-

perate, and therefore more healthy individuals. But this again proved to be a gross exaggeration, if not a total mistake; the general tendency of larger experience being to show, that, setting one tendency against another, the lives with which insurance offices are concerned assimilate to the chances observed throughout the entire community. The broader the data, the safer the conclusion—that appears to be the maxim nearest the truth. There are, therefore, no better data than those derived from the whole body of the population.

The supposition had been confirmed in a remarkable manner by the examination of the general returns. Mr. Farr constructed a table which is called an "English table," on the data of 1841; but, subsequently, he constructed another English table, on the data of the seven years ending 1844; the conclusions of the latter table very closely approximating to the conclusions of the former. Both present much more regular and probable gradations as to the value of life than the older tables which have been in use; and they tend to correct the calculations upon which insurance tables have generally been framed. The main results appear to be principally these, but upon the whole, the premiums exacted have been higher, especially in the middle stages of life, than is necessary for the purpose; but, on the other hand, that the amount of stock kept on hand by insurance offices is probably not always sufficient for absolute safety; and thirdly, that the bonuses which some insurance offices have divided, have been derived too much from theoretical calculations on *future* profits. We are, of course, stating only in the most general terms the character of these conclusions; for the details, which are highly interesting, we must refer to the volume in question. (Twelfth Annual Report.) Besides the much greater approximation to strict accuracy which would be secured by using a national table instead of one derived from partial data, there are further advantages, scarcely if at all less important. Hitherto, insurance offices have been competing with each other in offering peculiar advantages; and there is no objection, commercially, to a competition which tends to find out the form of insurance most beneficial for the public. In point of fact, however, the public cannot attain greater advantages than full security at a minimum of premium sufficient for security; and as those two conditions are strictly a matter of fact, to be ascertained by observation, the benefit of the public would be quite consistent with the formation of a table which should place all the offices on a footing of equality, and give to all the very best. While insurance remained an art and mystery, competition was not only fair, but inevitable; as soon, however, as its true data began to be known, it ceased to be a mystery, and competition is needless. No office can do better than to have the best table, although any other office should have the same. As soon as that fact should be admitted, the business would be a plain matter of investment and saving. At present, the proportion of persons who insure, as compared with the entire population, is very small; partly, because the general public is not sufficiently informed on the subject; partly, for the very reason that the example is so limited; but partly, also, from the remaining doubts as to the accuracy of the data and the sufficient security. Remove these doubts, and the number of insurers

would be enormously increased ; the example would be general instead of partial ; and although one office might not attract to itself so large a *proportion* of business in comparison with others, the aggregate of business to be divided by all would be so much greater, that each one would benefit, though they were not the peculiar competitive attraction which has hitherto been sought.

The conduct of the insurance offices has shown, that heretofore they have not been quite alive to this view of the matter. When the experience table was constructed, a committee of actuaries met, for the laudable purpose of endeavoring to ascertain more accurate calculations from broader data. The Equitable and the Amicable Life Offices had previously published their experience, and the committee induced fifteen offices, out of a hundred then existing, to contribute their experience also ; but they were not permitted to publish the data—so anxiously did the insurance offices keep to an art and mystery. How mistaken they were is perceived when we remember, that, swindling projects apart, safety is as much the object of the office as of the public ; and that the true ground of safety consists in certain facts which can be ascertained by observation and industry, and of which no monopoly can be acquired, or could be beneficially preserved. While, however, insurance offices thus compete in the character of their tables as well as in their other attractions, the public, whatever favor a particular clientele may show to this or that office, will continue to be perplexed with doubt. It would be quite otherwise if there were any general table to which the public, in common with the insurance offices and with the State at large, could refer for that which would be virtually an absolute certainty of data. Life calculations must be the staple and basis of insurance ; but the principle is capable of application to many other contingencies, such as the insurance for the education of a child. It needs but observation and industry to derive these other calculations from the same data with the life table—from the register of the whole population. If the life table be right, there can be no very fundamental error in the other tables. It is a national life table alone which can make the insurer feel confident that he is not paying more premium than is required from him, and that he is paying enough for the certain attainment of his object. Thus assured, he knows that he is effecting a saving for a particular purpose with the greatest certainty and with the least expenditure of the present means ; or, with limited means at present, he is making the most of them for the future provisions that they can purchase.

---

REMITTING MONEY BY MAIL.—An important decision has recently been made in the U. S. District Court, Richmond, Va., Chief Justice Taney presiding. In a case on trial before that court, the question arose whether money remitted by mail from a debtor to a creditor, such money being lost before it reached its destination, was a release of the debtor from the obligation of the debt. The chief justice decided, that the plaintiff having requested debtor to remit the money, without specifying or directing how it was to be sent, and the defendant having complied with the request by remitting through the mail, as was the custom with others to do, the debtor would not be held liable to make good the loss. This decision is in conflict with other cases involving the same principle, the chief justice holding that the former decisions were not correct.



## THE STATE OF VIRGINIA.

*Her Public Debt—Finances—Subscriptions to Rail-Roads and other improvements.*

It is stated that the commissioner for the State of Virginia who visited Europe a few months since, for the purpose of negotiating loans in behalf of that State, has returned without effecting his object. The money markets of London and the continent have not been in such a favorable position during the last six months as to invite proposals for loans, even at the rates prevalent in this country, and which in Europe are considered enormously high. We know of no public loans on behalf of European governments or European enterprise that offer the tempting rate of seven or eight per cent. per annum.

The prominent rail-road corporations of this country can, it seems, pay seven per cent. on their mortgage loans. This rate is paid by the Buffalo and State Line Rail-Road, New York and Erie Rail-Road, Hudson River Rail-Road, Ohio Central Rail-Road, Ohio and Pennsylvania Rail Road, and by numerous others; while eight per cent. is paid by the Michigan Central Rail-Road Company, the Milwaukie and Mississippi Rail-Road, the New Albany and Salem Rail-Road, and some few others. Virginia will soon be in the market, in behalf of heavy rail-road undertakings, and offers six per cent. per annum for loans granted to these important channels of rail-road undertakings.

The public debt of Virginia on 1st January, 1852, was \$11,857,271, viz.:

Registered bonds for internal improvements,.....	\$9,689,164
Coupon bonds for internal improvements, .....	1,718,000
Debt for subscription to banking companies,.....	450,107
Total, January, 1852,.....	\$11,857,272

To which we add the subsequent issues of 1852 and 1853, viz.:

Registered bonds, issued 1852,.....	\$680,687	
Coupon bonds, issued 1852,.....	2,282,000	
		\$2,962,687
Registered bonds, issued 1853,.....	406,816	
Coupon bonds, issued 1853,.....	2,815,000	
		3,221,816
Total public debt, 30th September, 1853,.....		\$18,041,775

A part of this debt is past due, the time of redemption being, payable at the option of the legislature, within fifteen years of the respective dates of maturity; but the larger portion, being of a recent creation, will not mature under twenty or thirty years from this time. We annex the following tabular statement showing the amount due, or that will become due, on each year from 1840 to 1886:

<i>Year.</i>		<i>Year.</i>	
1840,.....	\$25,300 00	1866,.....	\$1,435 61
1844,.....	185,433 33	1867,.....	277,500 00
1845,.....	260,000 00	1868,.....	689,434 00
1846,.....	29,950 00	1869,.....	375,522 05
1852,.....	130,000 00	1870,.....	132,410 00
1854,.....	165,000 00	1872,.....	242,000 00
1855,.....	255,000 00	1873,.....	600,000 00
1857,.....	1,077,700 00	1874,.....	250,000 00
1858,.....	1,776,118 59	1875,.....	876,098 00
1859,.....	865,388 10	1876,.....	1,138,050 00
1860,.....	823,364 73	1877,.....	680,687 00
1861,.....	112,021 31	1878,.....	11,970 00
1862,.....	308,032 46	1886,.....	4,002,000 00
1863,.....	26,198 50	1887,.....	3,207,846 87
1865,.....	17,315 00		
		Total, 1853,.....	\$18,041,775 50

The annual interest on \$18,028,442 of this debt is stated to be \$1,122,998 02, viz.:

\$798,000, at 5 per cent.,.....	\$39,900 00
\$25,300, at 5½ per cent.,.....	1,391 50
\$18,028,442 17, at 6 per cent.,.....	1,081,706 52

Total annual interest,..... \$1,122,998 02

Liberal appropriations were made by the Legislature of 1853, towards rail-roads, navigation companies, plank-road companies, turnpike companies, bridge companies, and other improvements.

For these various subjects there will probably be required in the

year 1854,.....	\$3,989,471 33
Year 1855,.....	2,359,885 00

Total additional debt,.....	\$6,349,356 33
Debt 30th September, 1853,.....	18,041,775 50

Estimated public debt, September, 1855,..... \$24,391,131 83

The proposed increase will be appropriated to the following objects:  
1st, Rail-Roads.

Alexandria, Hampshire and London Rail-Road Company,.....	\$350,000
Fredericksburg and Gordonsville Rail-Road Company,.....	225,000
Manassas Gap Rail-Road Company,.....	458,000
Norfolk and Petersburg Rail-Road Company,.....	450,000
Orange and Alexandria Rail-Road Company,.....	225,000
Richmond and Danville Rail-Road Company,.....	160,000
Roanoke Valley Rail-Road Company,.....	46,500
Virginia Central Rail-Road Company,.....	500,000
Virginia and Tennessee Rail-Road Company,.....	225,000
	\$2,639,500

Seven per cent. loans to Southside Rail-Road Company,....	\$160,000
Richmond and Danville Rail-Road Company,.....	400,000
Virginia and Tennessee Rail-Road Company,.....	460,000
James River and Kanawha Company,.....	390,000
	<hr/>
	\$1,410,000
To Navigation Companies,.....	156,400
To Plank-Road Companies,.....	234,600
To Turnpike Companies,.....	471,218
To Bridge Companies,.....	29,200
To State Roads,.....	1,408,443
	<hr/>
Total subscriptions for 1854-5,.....	\$6,349,356

In addition to the above, there were authorized subscriptions to numerous other companies, of whose organization no information had been received in September last, amounting to \$2,910,080.

## ANALYSIS OF RAILWAY ACCIDENTS.

*For the Years 1840—1852.*

THE voluminous reports drawn up at the instance of the British Board of Trade, contain many valuable returns respecting the nature and frequency of railway accidents. These were, however, presented in so complicated a form as almost to baffle all the attempts of ordinary readers to decipher their meaning, or collect from the intricate series of tabulated results the information which they were known to contain. The task of disentangling this mass, of grouping together the most important tables in the most intelligible form, and of deducing from them the conclusions which the travelling public are most anxious to learn, has been undertaken by Mr. Neison, honorary secretary to the London Statistical Society, and accomplished with much ability. His labors resulted in a paper read at one of the meetings of his society during the current year, which was afterwards included in their journal, and has just been republished in a separate form. It constitutes a "manual of railway accidents," containing a large amount of valuable information, put together with vast care, and rendered as compact and at the same time as intelligible as the subject allowed.

Railway accidents, when they have once ceased to bear an individual interest as items in the news of the day, retain importance chiefly in relation to the future. The public value them as furnishing a basis for computation respecting the chances of peril in railway travelling, or the general management of railway affairs. With such an object in view, Mr. Neison has prepared his analysis. His tables are accordingly so arranged as to show, 1st, the frequency, and, 2dly, the causes of the various deaths, injuries, or harmless accidents on the various railways in Great Britain. The results of his calculations are extremely interesting, and in many respects contravene the preconceived opinion of the public. Re-

specting the frequency of accidents, we find, for example, a considerable diminution during the latter years of railway management, whether we base the average upon the mileage of open lines, or the annual number of passengers. During the twelve and a half years that elapsed between August, 1840, and December 31, 1852, the total number of passengers amounted to 615,133,727, of whom 266 were killed and 1,796 injured. On the average, therefore, a fatal catastrophe has overtaken 1 in 2,312,533 passengers, and injury, more or less severe, been suffered by 1 in 342,509 passengers during the course of this period. Dividing the same interval into groups of years, the averages are shown in the annexed table :

Period.	Passengers.			Ratios.	
	Number.	Killed.	Injured.	One killed in	One inj'd in
1840—43,.....	57,617,578	61	260	944,550	224,606
1844—47,.....	156,698,002	68	370	2,304,382	423,508
1848—51,.....	264,173,027	107	785	2,468,907	336,526
1852,.....	86,758,997	30	381	2,891,966	227,914

It thus appears that, while in the years 1840—43, there was 1 killed in every 944,550 passengers, there was, in the years 1848—51, only 1 in every 2,468,907 passengers, being not one death for two which happened in the earlier period. So, also, will a reduction be found to have taken place in the ratio of passengers injured.

Others besides passengers are sufferers by railway casualties. Thus in the twelve years specified above, 175 persons were killed and 65 injured "by their own negligence"—such as by falling from trains, jumping in or out of carriages in motion, or straying on the line; 306 "trespassers" were killed and 84 injured; and 1,081 employees of the companies were killed, while 701 received bodily injury. Of these latter classes, it is remarkable that the number of deaths exhibits a considerable excess above that of injuries. Taken in the order of time, without loading our columns with figures, we may state, as a general result, that the casualties here enumerated have also not increased in number in equal proportion to the expansion of the railway system, with the exception of the accidents to "trespassers," which, during the four last years of the period, have multiplied to a serious extent. To the *causes* of railway accidents Mr. Neison devotes many pages, and an elaborate classification. We can find space but for his concluding abstract, in which he divides the mass of catastrophes into two categories—those "under the control" and those "beyond the control" of the companies :

Causes.	Period of Observation.		
	1840—48.	1844—47.	1848—51.
Number of passengers,.....	57,647,578	156,698,002	264,173,027
Deaths from causes beyond control of companies,.....	18	31	54
Deaths from causes under control of companies,.....	30	29	41
Ratio of deaths beyond control of companies,.....	One in 3,200,977	One in 5,054,774	One in 4,892,093
Ratio of deaths under control of companies,.....	1,920,585	5,403,379	6,443,244

This table Mr. Neison cites as proving not only that there is a great diminution in all kinds of accidents to passengers, but that those accidents for which the managers of the several lines may be considered accountable, have decreased in a remarkable degree, as compared with the other class of casualties. "Whether this change," he adds, "be due to the better general regulations enforced by the directors, or to the improved skill and intelligence of their officers and servants, the results afford the most striking testimony, from the recent improvements and increased safety in railway travelling, that the same means will be persevered in to effect a still further reduction in the frequency and intensity of railway accidents.

Adverting to accidents specially, without reference to their consequences in relation to life or limb, the author furnishes some curious facts. By far the larger proportion of these disasters arise from collisions. In nine years, 1844—52, no less than 308 collisions occurred upon the railways of Great Britain and Ireland, from which, though 255 happened to passenger trains, only in 54 instances were any injuries sustained. It is notable, also, that the collisions of express and excursion trains have produced but one death each among the passengers throughout the whole period of nine years, and neither of these happened in the great "excursion" year of 1851. To mail trains, 21 collisions occurred within the aforesaid period, but without producing a fatal result in a single instance. The annual number of collisions have been as follows :

1844,.....18	1847,.....40	1850,.....42
1845,.....27	1848,.....36	1851,.....38
1846,.....35	1849,.....28	1852,.....44

The causes are thus classified for the whole period :

Fog or storm, 11 ; rails slippery, 9 ; trains retarded by wind and overtaken, 1 ; wagons or parts of trains blown on to line—generally neglect of pointsmen, 7 ; part of train becoming detached on incline and running back, 6 ; part of train becoming detached and left on line, 5 ; train giving away in or about the middle—hinder part running into fore part by its own impetus, 4 ; faulty breaks, 3 ; train or engine retarded or stopped by accident to engine, 16 ; neglect of signals, 18 ; neglect of engine drivers, 47 ; neglect of brakemen, 4 ; neglect of pointsmen, 15 ; neglect of station masters, 4 ; wagons or parts of trains left on line, 16 ; train lost speed and was overtaken, 3 ; steam or water failed, 5 ; miscellaneous, and not specified, but all attributable to neglect on the part of servants of the companies, 134.

A curious and apparently unaccountable result is deduced by Mr. Neison from a computation in which the respective number of collisions is classified into months. Thus it appears, that during the specified nine years, 99 collisions have happened in the first six months of the year, that is, from January to June, and no fewer than 209 in the latter six, July to December. It is true that the traffic also increases during the latter half of every year, but in a far inferior proportion. Upon the cause of this singular anomaly, which would seem to show that railway travelling is more hazardous during autumn and winter than in spring or summer, Mr. Neison does not venture to speculate.—*Press*.

STOCK FLUCTUATIONS AT BOSTON, FOR 1853,

In Bank, Manufacturing and Rail-Road Stocks, sold at the Boston Brokers' Board, with the Semi-annual Dividends paid by each. Compiled by JOSEPH G. MARTIN,

Stock and Exchange Broker, No. 10 State-street.

The following Tables give the prices of Stocks on the first day of each month, and fairly represent their market value, so far as quotations could be obtained. Dividends are given in such manner as to represent the earnings for the year, as nearly as possible.

BOSTON BANKS.	Par.	Capital, Surplus, sold in Jan. '53.	Shares 1853,												1854, Div'ds, 1853.					
			Jan. '54.	Oct. '53.	1st.	1st.	1st.	1st.	1st.	1st.	1st.	1st.	1st.	1st.	1st.	1st.	1st.			
Atlantic, . . . . .	100	\$500,000	\$70,000	50	113½	114	114½	102	104	102	108½	104½	106	105½	55	56½	57	4	4	4
Atlas, . . . . .	100	500,000	42,838	39	107½	102	104	102	108	103	108½	104½	106	105½	55	56½	57	4	4	4
Blackstone, . . . . .	100	350,000	12,675	117	119	108	107	108½	104½	106	107	108½	104½	105	105½	56	57	4	4	4
Boston, . . . . .	50	900,000	72,000	80	55	53	53	55	57	56½	55	55	55	55	55	56½	57	4	4	4
Boylston, . . . . .	100	300,000	21,000	2	117	116	116	110	108½	106	110	112	114	110	112	113	113	4½	5	5
Broadway, . . . . .	100	100,000	new.	none.	Commenced	Dec'r 20, 1853.														
City, . . . . .	100	1,000,000	91,000	61	107	107	107½	104	106	106	105	105	105	105	105	105	105	8½	8½	8½
Cochituate, . . . . .	100	250,000	16,229	883	108½	103½	108	100	100	100	102	103	103	103	103	103	103	4	4	4
Columbian, . . . . .	100	500,000	24,900	46	105½	106	105	101	103	103	108	104	104	104	104	104	104	8	8	8
Commerce, . . . . .	100	2,000,000	60,000	1,158	108½	106½	107½	104	104	105	107	106	106	106	106	106	106	4	4	4
Eagle, . . . . .	100	700,000	55,000	5	108	108	108	105	106	108	105	105	105	105	105	105	105	8½	8½	8½
Eliot, . . . . .	100	800,000	new.	15	Commenced	Oct'r 6, 1853.														
Exchange, . . . . .	100	1,000,000	87,800	149	110½	111	111	107	105½	106	110	111	112	108	109	109	109	4	4	4
Faneuil Hall, . . . . .	100	500,000	15,000	104	105½	105½	107½	104	105½	106	106	106	106	106	106	106	106	4	4	4
Freeman's, . . . . .	100	850,000	40,500	5	114	114	114	113	111	112	113	114	114	111	111	111	111	4½	4½	4½
Globe, . . . . .	100	1,000,000	120,000	10	115	114½	113½	110	112	113	114	114	113	111	111	111	111	4	4	4
Granite, . . . . .	100	900,000	41,000	230	105½	108	108	104	105	105	105	106	106	102	102	102	102	4	4	4
Grocers', . . . . .	100	500,000	27,000	146	108½	108½	108	104½	105	105	105	106	106	103	103	103	103	4	4	4
Hamilton, . . . . .	100	500,000	76,700	5	114	114	114	110	111	112	113	114	111	111	111	111	111	4	4	4
Howard, . . . . .	100	500,000	new.	180	Commenced	Aug. 28, 1853.														
Market, . . . . .	100	550,000	87,500	47	87½	86	86½	84	86	85½	89	99	99	100	99½	101½	101½	..	..	..
Massachusetts, . . . . .	250	800,000	45,000	19	287½	287½	290	250	272	267	260	260	260	250	250	252	252	8	8	8
Mechanics', . . . . .	100	200,000	15,000	none.	112	112	112	108	109	110	110	111	111	110	110	111	111	4	4	4
Merchants', . . . . .	100	4,000,000	800,000	627	118½	112½	113½	110	110½	112	114½	115	113½	106	105½	106½	108½	4	4	4
National, . . . . .	100	300,000	new.	62	Commenced	Aug. 1, 1853.														
New England, . . . . .	100	1,000,000	70,000	20	114	113	113	119	111½	118	113½	113½	113½	109	109	110	111½	..	..	..
North, . . . . .	100	750,000	65,000	59	106½	106½	107	104	104½	104	104	104	103½	103	103	103	103	8½	8½	8½
North America, . . . . .	100	750,000	19,160	834	109½	108	108	102	104	103½	104	105	105	101½	102½	103½	106	8½	8½	8½
Northwestern, . . . . .	100	500,000	61,555	48	110½	110	110	106	107	108	108½	110	112	108	108	108½	111	4	4	4
Shawmut, . . . . .	100	1,900,000	90,000	45	113	113	113	109	110½	118	113½	113½	113	109	109	109	111	4	4	4
Shoe and Leather, . . . . .	60	1,500,000	169,000	272	64	65	64	62½	63	64	64½	68	64	62½	62½	62½	63	8½	8½	8½
State, . . . . .	100	1,000,000	160,000	10	132	131	133	130	132	133	135	135	130	130	130	131	133	5	5	5
Suffolk, . . . . .	100	1,000,000	160,000	10	132	131	133	130	132	133	135	135	130	130	130	131	133	5	5	5
Traders', . . . . .	100	6,000	31,100	157	107½	107	106½	103½	104½	105	106	106½	106	102½	102½	103½	104½	4	4	4
Tremont, . . . . .	100	1,250,000	54,000	43	113	113½	113	119	110	111	112	113	114	108	108	109	110½	4	4	4
Union, . . . . .	100	1,000,000	91,000	35	113	113½	113	119	110	111	112	113	114	110	110	110	111	4	4	4
Washington, . . . . .	100	500,000	25,650	21	105	104½	104	101	102	103	103	103	103	100	100	101	102	103½	8	8
Webster, . . . . .	100	1,500,000	new.	692	Commenced	Aug. 15, 1853.												105	105	105

## MANUFACTURING STOCKS.—BOSTON, 1853.

Manufacturing Stocks.	Par.	Capital.	Shares sold in 1853.	1854.										1853.												Dividends
				Jan.	Feb.	Mar.	April.	May.	June.	July.	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May.	June.	July.	Aug.	Sept.	Oct.	Nov.
Amoskeag.	1,000	8,000,000	88	1,185	1,180	1,110	1,095	1,130	1,150	1,150	1,180	1,140	1,125	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	4
Appleton.	1,000	600,000	6	945	950	900	900	900	910	900	900	900	900	900	900	900	900	900	900	900	900	900	900	900	900	4
Atlantic.	1,000	1,500,000	7	945	945	900	900	945	975	912	905	905	900	900	900	900	900	900	900	900	900	900	900	900	900	4
Bates.	100	400,000	42	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	0
Bay State.	1,000	1,800,000	94	900	860	800	780	805	810	815	800	790	790	790	750	750	750	750	750	750	750	750	750	750	750	8
Boot Mills.	1,000	1,200,000	6	1,030	1,030	1,020	1,000	960	975	950	950	950	945	915	900	900	900	900	900	900	900	900	900	900	900	4
Boston.	900	450,000	none	600	650	600	600	600	600	600	600	600	600	600	600	600	600	600	600	600	600	600	600	600	600	4
Boston Gas.	1,000	1,000,000	3	615	625	650	640	650	660	650	675	675	665	655	625	625	625	625	625	625	625	625	625	625	625	5
Chicopee.	1,000	700,000	1	500	500	500	500	500	500	500	500	500	500	500	500	500	500	500	500	500	500	500	500	500	500	2
Cocheco.	500	1,800,000	5	500	525	510	500	500	525	500	500	500	500	500	500	500	500	500	500	500	500	500	500	500	500	2
Dwight.	1,000	700,000	none	570	580	550	550	550	550	500	500	500	500	500	500	500	500	500	500	500	500	500	500	500	500	4
Great Falls.	200	1,500,000	237	215	215	210	205	215	215	215	215	215	215	215	215	215	215	215	215	215	215	215	215	215	215	4
Hamilton.	1,000	1,500,000	17	1,000	1,025	1,000	980	980	1,000	965	965	975	990	970	960	920	920	920	920	920	920	920	920	920	920	5
Hamilton Woolen.	100	600,000	183	90	92	90	87	85	85	87	90	90	94	96	93	90	90	90	90	90	90	90	90	90	90	4
Jackson.	900	540,000	none	650	650	600	600	600	600	600	600	600	600	600	600	600	600	600	600	600	600	600	600	600	600	4
Lancaster.	1,000	800,000	19	800	800	800	800	800	800	800	800	800	800	800	800	800	800	800	800	800	800	800	800	800	800	4
Lancaster Mills.	450	900,000	18	800	800	800	800	800	800	800	800	800	800	800	800	800	800	800	800	800	800	800	800	800	800	4
Lawrence.	1,000	1,500,000	16	980	1,020	960	955	925	925	925	925	925	925	925	925	925	925	925	925	925	925	925	925	925	925	4
Lawrence Machine.	50	750,000	8,409	300	295	295	28	28	30	295	275	275	26	28	27	27	27	27	27	27	27	27	27	27	27	5
Lowell.	690	2,000,000	87	800	800	800	800	800	800	800	800	800	800	800	800	800	800	800	800	800	800	800	800	800	800	5
Lowell Bleachery.	200	300,000	8	250	260	250	250	250	250	250	250	250	250	250	250	250	250	250	250	250	250	250	250	250	250	4
Lowell Machine.	500	600,000	2	425	437	425	425	425	425	425	425	425	425	425	425	425	425	425	425	425	425	425	425	425	425	4
Massachusetts Mills.	1,000	1,500,000	8	1,045	1,025	1,015	1,000	975	975	1,000	975	975	950	960	945	975	975	975	975	975	975	975	975	975	975	4
Merrimac.	1,000	2,500,000	15	800	822	810	775	750	700	725	700	710	725	710	715	715	715	715	715	715	715	715	715	715	715	5
Manchester.	1,000	1,800,000	none	825	830	810	775	750	750	750	750	750	750	750	750	750	750	750	750	750	750	750	750	750	750	5
Middlesex.	500	1,000,000	10	455	477	460	425	425	425	415	425	425	400	400	400	400	400	400	400	400	400	400	400	400	400	8
Nassau.	500	500,000	none	660	670	690	655	685	690	695	700	700	700	700	700	700	700	700	700	700	700	700	700	700	700	8
New England Glass.	50	925,000	155	26	29	27	25	25	27	35	35	35	35	35	35	35	35	35	35	35	35	35	35	35	35	6
New England Worsted.	1,000	500,000	none	990	1,010	1,020	1,040	1,050	1,050	1,050	1,050	1,050	1,050	1,050	1,050	1,050	1,050	1,050	1,050	1,050	1,050	1,050	1,050	1,050	1,050	8
Palmer.	1,000	1,000,000	none	735	735	735	735	735	735	735	735	735	735	735	735	735	735	735	735	735	735	735	735	735	735	8
Perkins.	1,000	1,000,000	5	735	735	735	735	735	735	735	735	735	735	735	735	735	735	735	735	735	735	735	735	735	735	0
Salisbury.	1,000	700,000	none	1,150	1,100	1,110	1,110	1,110	1,110	1,120	1,130	1,175	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	2
Salmon Falls.	500	1,000,000	none	400	400	395	395	395	395	395	395	395	395	395	395	395	395	395	395	395	395	395	395	395	395	0
Sandwich Glass.	100	300,000	6	125	125	125	125	125	125	125	125	125	125	125	125	125	125	125	125	125	125	125	125	125	125	5
Stark Mills.	1,000	1,250,000	28	900	960	950	950	960	975	965	965	965	900	900	900	900	900	900	900	900	900	900	900	900	900	4
Suffolk.	1,000	600,000	none	1,025	1,025	970	950	960	975	900	930	900	900	900	900	900	900	900	900	900	900	900	900	900	900	4
Thorncliffe.	1,000	875,000	none	800	800	750	775	800	825	850	850	850	850	850	850	850	850	850	850	850	850	850	850	850	850	0
Tremont.	1,000	600,000	10	900	920	900	850	850	850	850	850	850	850	850	850	850	850	850	850	850	850	850	850	850	850	4
York.	1,000	1,200,000	25	1,000	1,000	990	975	980	980	915	920	900	900	900	845	835	835	835	835	835	835	835	835	835	835	4

## RAIL-ROAD STOCKS.—BOSTON, 1853.

Rail-Roads.	Par.	Highest Sales.	Lowest Sales.	Shares sold in 1853.	1853. Jan. 1.	Feb. 1.	Mar. 1.	Apr. 1.	May 2.	June 1.	July 1.	Aug. 1.	Sept. 1.	Oct. 1.	Nov. 1.	Dec. 1.	1854. Jan. 2.	Dr. 1853.
Boston and Lowell, . . .	100	106	91 1/2	295	106 1/2	105 1/2	104	104	105 1/2	105	99 1/2	99	96	94 1/2	92 1/2	93	94 1/2	8
Boston and Maine, . . .	100	109 1/2	102	5,296	106 1/2	105 1/2	105 1/2	105 1/2	105 1/2	105 1/2	105 1/2	106 1/2	105 1/2	104 1/2	102 1/2	103 1/2	102 1/2	4
Boston and Providence, . . .	100	92 1/2	85	2,810	90 1/2	90	88 1/2	89 1/2	91	90 1/2	88 1/2	87 1/2	86 1/2	85	86	87 1/2	85 1/2	8 1/2
Boston and Worcester, . . .	100	105	100 1/2	4,621	103 1/2	105	102 1/2	102 1/2	104	104 1/2	101 1/2	101 1/2	101	100 1/2	101	102 1/2	101 1/2	8 1/2
Cheshire, (preferred), . . .	100	58 1/2	40	984	56 1/2	58 1/2	57 1/2	55 1/2	55	52	50 1/2	48	47	46 1/2	46 1/2	42 1/2	40 1/2	2
Concord, . . .	50	51	45 1/2	1,176	55	56	56 1/2	56 1/2	55 1/2	54	51 1/2	50 1/2	51 1/2	53 1/2	52 1/2	52 1/2	52 1/2	4
Concord and Montreal, . . .	100	45 1/2	30	1,494	44	44 1/2	40 1/2	37	42	41	41 1/2	40 1/2	37	35	33	33	33	0
Connecticut River, . . .	100	62 1/2	52 1/2	1,177	60 1/2	60	55	58	59	58	59	57 1/2	55	55 1/2	51 1/2	54	54	2
Eastern, . . .	100	9 1/2	90	1,850	49 1/2	97 1/2	94 1/2	94 1/2	95	95	90 1/2	93 1/2	91	92 1/2	91	91 1/2	91 1/2	8
Fall River, . . .	100	107 1/2	104	2,637	104 1/2	104 1/2	105 1/2	104 1/2	105 1/2	106 1/2	104 1/2	104 1/2	104	105 1/2	106 1/2	107 1/2	102 1/2	4
Fitchburg, . . .	100	104 1/2	93	3,837	102 1/2	102 1/2	101 1/2	100	102 1/2	102 1/2	99 1/2	99 1/2	93	95	94	98 1/2	91 1/2	8
Grand Junction, . . .	100	65	80	310	30	30	30	30	30	30	30	30	30	30	30	30	30	0
Manchester and Lawrence, . . .	100	101 1/2	88	1,168	101 1/2	100 1/2	99	99	99 1/2	99 1/2	97 1/2	96 1/2	93	90	89	89 1/2	89 1/2	8 1/2
Michigan Central, . . .	100	118	104	2,767	107 1/2	107 1/2	107 1/2	107 1/2	115	116 1/2	116 1/2	112	110	112	106 1/2	109	101 1/2	0
Nashua and Lowell, . . .	100	112	107	50	108 1/2	108 1/2	109 1/2	111	107 1/2	108 1/2	109 1/2	109 1/2	109	110	106 1/2	106 1/2	106 1/2	4
New York Central, . . .	100	115 1/2	113 1/2	51	111	108 1/2	109 1/2	111	107 1/2	108 1/2	109 1/2	109 1/2	109	110	106 1/2	106 1/2	106 1/2	4
Norfolk County, . . .	100	69	50	1,441	56	55	53	50	69	68	63	69	61	57 1/2	58 1/2	60	61	0
Northern (N. H.), . . .	100	65	44 1/2	4,846	59 1/2	60	59	60	61 1/2	60 1/2	55 1/2	58	57 1/2	53 1/2	51 1/2	51 1/2	52	2 1/2
Norwich and Worcester, . . .	100	58 1/2	51 1/2	725	53	51	51 1/2	53	58	57 1/2	56 1/2	58 1/2	53	53 1/2	51 1/2	53	60	2
Ogdensburg, . . .	100	31 1/2	12 1/2	183,568	31	27 1/2	26 1/2	25 1/2	28 1/2	23 1/2	21 1/2	19 1/2	14	14 1/2	13 1/2	14 1/2	16 1/2	0
Old Colony, . . .	100	95	77	3,869	80	80	80	80	87	86	87 1/2	87 1/2	86	87 1/2	86	88 1/2	91	0
Passumpsic, . . .	100	51	33 1/2	1,370	49 1/2	49 1/2	46	46	46	48	44	43	39	35	36	33	33	0
Portland and Saco, . . .	100	102 1/2	96 1/2	602	100 1/2	99 1/2	99 1/2	99 1/2	100 1/2	102	100 1/2	100 1/2	99 1/2	98 1/2	97 1/2	99 1/2	97 1/2	8
Reading, . . .	50	45 1/2	48	165	49	42 1/2	45	44 1/2	45	44 1/2	45 1/2	43 1/2	42	41 1/2	36	39 1/2	38	8
Rutland, (old), . . .	100	42	10	2,643	38	41 1/2	38	36	36 1/2	34 1/2	33	32	31	25	20	10	11 1/2	0
Rutland preferred S's, . . .	100	94 1/2	40	422	90	94	93	90	90	89	87 1/2	87 1/2	85	84 1/2	80	40	40	4
Rutland preferred O's, . . .	100	70	15	169	67	67	66	63	70	65	63 1/2	63	60	55	50	15	23	0
South Shore, . . .	25	10 1/2	8 1/2	1,914	9	10	9	9	9	9 1/2	8 1/2	9	9	8 1/2	8 1/2	8	8 1/2	0
Sullivan, . . .	100	21 1/2	10	678	11	11	11 1/2	10 1/2	10 1/2	9	10	12 1/2	11 1/2	11 1/2	13	13	15	0
Vermont Central, . . .	50	21 1/2	12 1/2	510,838	18 1/2	20 1/2	18 1/2	17	17 1/2	18 1/2	18 1/2	17 1/2	14 1/2	13 1/2	13	13	13 1/2	0
Vermont and Canada, . . .	100	107 1/2	99	1,969	105 1/2	107	106	105	106 1/2	106 1/2	102	102 1/2	100 1/2	100	99 1/2	99 1/2	99 1/2	4
Vermont and Massachusetts, . . .	100	22	16 1/2	21,241	21 1/2	21	18 1/2	19 1/2	19	18 1/2	17	18	16 1/2	17	18 1/2	18 1/2	18 1/2	0
Wilmington, . . .	50	40 1/2	35 1/2	29,370	37 1/2	40 1/2	40 1/2	38 1/2	38 1/2	37	37	37	35 1/2	35 1/2	35 1/2	35 1/2	35 1/2	8
Western, . . .	100	102 1/2	97	4,470	101 1/2	101 1/2	100	99 1/2	101 1/2	101 1/2	101 1/2	99 1/2	97	98	97 1/2	97 1/2	96 1/2	8 1/2
Worcester and Nashua, . . .	100	63	54	1,551	59 1/2	59 1/2	59 1/2	58	59	61	50 1/2	50 1/2	59 1/2	59 1/2	59 1/2	62 1/2	58 1/2	2 1/2

† Ex-dividend, which applies to all the tables.



## COINS.—COINAGE.

ASSAY OFFICE IN NEW-YORK.—The *New-York Journal of Commerce* gives the following account of the present state of the building for the Assay Office in this city, which the people here confidently hope will be the germ of a mint:

"This work is going forward with energy, and expectations are entertained that it will be completed in about three months, unless something unforeseen should occur. The building, which is situated directly in the rear of the old United States Bank, will be a very substantial structure, four stories in height, besides the basement, built upon the most improved plan, with iron roof and beams, and essentially fire-proof. It is now up about two stories. Dimensions on the ground, 75 by 52 feet. The floor beams are of wrought iron, on a new plan, being much like an H rail. Several builders have already taken drawings and measurements, with the view of imitating them. The roof will also consist of iron bars, overlaid with some incombustible material.

"The Assay Office will have a huge stack, or chimney, 144 feet in height, lined with fire-brick; and, by means of the furnaces, an intense heat will be generated in them, so as to effectually consume all the offensive gases which would otherwise be thrown off into the atmosphere. The basement and first story of the building are of cut stone, all the superstructure brick. Included in the various apparatus connected with the establishment will be a fine steam engine of eight or ten horse power, a crushing mill for pulverizing the dross or scoria, and an improved hoisting machine for raising heavy articles from the basement to the upper stories; twelve or fourteen furnaces to be located in the first story and basement, and to form two distinct sets at either extremity of the building, one of which will be for refining gold, and the other for silver. The hoisting machine, the crushing mill, and other machinery that may be introduced, will all be propelled by the steam engine, which will also be employed to distribute hot air through the offices, and especially to expel the impure acid gases (which rise to the third story) from the building. The furnaces before alluded to are to be constructed on a new plan, acting on the blow-pipe system; and anthracite is to be used as a fuel, instead of charcoal, as at New Orleans and Philadelphia, which is far more expensive. The arrangement of the building is to be as follows:

"Basement, for engine, furnaces, &c. 1st story, for melting and refining. 2d story, for the assay department. 3d story, for separating or parting metals. 4th story, for purposes not yet specified.

"With the facilities here afforded, a vast amount of work may be accomplished. It is judged that ten or fifteen men will be employed in the assay office, though the number is not definitely known, one man being competent to make three melts in a day, of 1,600 ounces.

"The bank-building on Wall-street will be used for the Sub-Treasury. An elevated platform will connect it with the Custom House. Without doubt, a strong effort will be made by our Representatives at the next session of Congress to secure the passage of the Mint Bill, and in case of its success, a purchase of the property in the rear, extending back to Pine-street, will be made, on which to erect the proposed Mint. The appointments for the Assay Office have not yet been fully made. Besides the assayer, Prof. Torrey is the melter, refiner, weigher, &c., with assistants. The works now in progress are under the superintendence of able men, one of whom has had extensive experience in the mints of the United States.

"The processes for which the present institution is established may be described thus, briefly: California gold will be first melted, purified with nitre, (saltpetre,) repeatedly skimmed, to remove earthy particles, and ladled out into a basin of water 2 or 2½ feet deep to granulate the metal. In this form it is like snow flakes, that it may be acted upon by nitric acid, to separate the silver from the gold. The silver is precipitated through a strong salt brine, of a given strength, and afterwards washed and dried. In this form it is called chloride of silver, or born silver, and only requires re-melting to produce refined silver. The gold is also re-melted, making fine gold. It then undergoes another melting process, mixed up with one part of copper and nine of silver, or nine of gold, which forms the standard of the United States coin. The metal is next run into ingots, about sixteen inches long, one wide, and half an inch thick, weighing twenty or thirty ounces. When stamped with "U. S.," and their exact weight, they are ready for shipment as coinage.

**CALIFORNIA GOLD.**—Nearly two millions and a half of gold left this city yesterday for the Atlantic States. What would the people of New-York have said ten years ago upon the arrival in their city of such a sum as this? It would have been a wonder—excited as much astonishment as did a miracle in the olden times. But now California turns out these immense sums so often, and with such regularity, that they excite no astonishment whatever. People seem to expect them as a matter of course.

It is not a great while since, that the shipment of two millions and a half of specie from the city of New-York to Europe would have deranged the whole monetary system, and almost, if not quite, have caused the banks to suspend specie payments. But now we can export twenty or thirty millions of specie in a single year, and nobody thinks the country will be ruined, because the people know where they can get more. California is the bank that always discounts to the right kind of applicants. There is no such thing as fail with her. And but for her, real estate and business of all kinds in the Atlantic States would have been very different from what they now are. By increasing the currency, she has increased the price of property, and carried a degree of prosperity throughout the United States that has never before been witnessed in the same period of time.—*California Chronicle*, Dec. 2, 1853.

#### COINAGE IN GEORGIA.

*Statement of the amount and value of Gold Bullion received, and of coinage executed, at the Branch Mint, Dahlonega, Ga., during the year 1853:*

	Gross Weight.	Value.	Coinage executed.	
	Ozs. Dec'ls.		No. pieces.	
January,.....	1,564 .83	\$28,909 52	7,065	\$35,325 00
February,.....	1,803 .44	34,788 69	11,041	47,008 00
March,.....	1,357 .70	25,335 08	6,094	30,470 00
April,.....	2,066 .95	38,127 07	3,894	19,470 00
May,.....	2,921 .83	54,565 12	12,584	62,920 00
June,.....	2,604 .45	47,816 52	11,101	55,505 00
July,.....	1,819 .25	33,750 19	8,393	28,858 00
August,.....	1,506 .63	28,020 97	4,560	22,800 00
September,.....	2,204 .72	40,867 47	11,874	48,202 00
October,.....	1,589 .08	29,889 46	6,261	29,500 00
November,.....	1,980 .47	36,860 61	7,318	36,590 00
December,.....	2,882 .34	53,359 06	9,254	46,270 00
Total,.....	24,301 .69	\$452,289 76	99,439	\$462,918 00

J. M. PATTON, Superintendent.

United States Branch Mint, Dahlonega, Ga., 6th January, 1854.

*Statement of the amount and value of Gold Bullion received at the United States Branch Mint, Dahlonega, Ga., since its commencement, 15th January, 1838:*

Gross Weight.		Value.	Gross Weight.		Value.
Ozs.	Dec'ls.		Ozs.	Dec'ls.	
1838,.....	7,462 .36	\$141,763 47	1847,.....	17,934 .02	352,366 15
1839,.....	5,922 .57	112,587 68	1848,.....	14,107 .11	274,472 51
1840,.....	6,258 .05	121,858 08	1849,.....	12,960 .11	252,974 28
1841,.....	8,184 .78	158,870 77	1850,.....	12,785 .00	245,992 01
1842,.....	16,607 .96	323,371 54	1851,.....	20,127 .17	379,308 53
1843,.....	29,047 .30	570,060 53	1852,.....	26,040 .90	476,788 83
1844,.....	24,472 .72	479,798 70	1853,.....	24,301 .69	452,289 76
1845,.....	25,490 .27	498,632 16			
1846,.....	23,168 .38	455,149 31	Total,.....	272,887 .39	\$5,296,279 31

J. M. PATTON, Superintendent.

United States Branch Mint, Dahlonega, Ga., 6th January, 1854.

**NEW COINS.**—Specimens of California gold dollars, halves and quarters, have been received at the Mint in Philadelphia. The circumference of the dollars is octagonal; of the smaller coins, round. Each has "California Gold, 1853," together with the

denomination of the coin, stamped on one side; while on the other is a Liberty head in the centre, and stars in the circumference. The halves, and particularly the quarters, are inconveniently small, and ought to be discarded on that account, if no other.

**DOLLARS IN CANTON.**—Since the publication of the proclamation of the Chinese authorities at Canton, permitting the circulation of dollars of the United States and South American Republics on an equal footing with the Spanish milled dollars, allowance being made for any ascertained difference of standard, we have received the overland *Friend of China*, of October 11, containing further information on this subject. Before the issue of the proclamation referred to, a document in Chinese had been circulated in Canton, recommending the adoption of a regulation by which all descriptions of dollars should be received on an equal footing, and arguing that it would be for the common benefit of the public. The *Friend of China* publishes a translation of this circular, together with the communication of the Imperial Commissioner, accompanied with the following remarks, from which it may be inferred that the ground on which the Spanish milled and Carolus dollars have sustained at times so high a premium in the American and European markets, is likely to be done away.

The circular and proclamations together appear to have had the desired effect; the principal dissentients to the measure being the collectors and cashiers attached to the offices of the magistrates of the districts whence the proclamation emanated, who till recently (if they do not do so still) continued to exact a discount. Petitions, however, have been pouring in against them, and, from the fact of a change having suddenly occurred here in Hong Kong, there is but little doubt but the admission of all dollars at par may now be considered as *un fait accompli*.

#### UNITED STATES COINS IN PORTO RICO.

DEPARTMENT OF STATE, WASHINGTON, December 29, 1853.

The following information has been received at this Department respecting the value of coin of the United States in the Macquino currency of the Island of Porto Rico, as established by an ordinance of the Spanish Government, under date of September 24, 1853:

<i>Gold Coinage.</i>		<i>Silver Coinage.</i>	
Double Eagles,.....	\$21 25	Dollar,.....	\$1 12½
Eagles,.....	10 62½	Half Dollar,.....	56½
Half Eagles,.....	5 31½	Quarter Dollar,.....	28½
Quarter Eagles,.....	2 65½		
Tenth Eagles,.....	1 06½		

The coins above mentioned are understood to be receivable at all the Government offices of the island, and declared a legal tender in circulation at the rates therein expressed.

### PUBLIC DEBT OF THE UNITED STATES.

*Where payable—Rate of Interest—And the amount of interest due Jan. 1, 1854.*

*Statement showing the amount of United States Stocks outstanding, on which interest is payable, on the loan of 1842, (Act 15th April, 1842,) loan of 1846, (Act 22d of July, 1846,) loan of 1847, (Act 28th January, 1847,) loan of 1848, (Act 31st March, 1848,) and Texan Indemnity, (Act 9th September, 1850;) also the amount of interest, where and by whom payable, on the 1st January, 1854.*

<i>Where payable.</i>	<i>Loan.</i>	<i>Pr. ct.</i>	<i>Principal.</i>	<i>Interest.</i>
New Orleans,.....	1842,	6	\$700 00	\$21 00
Charleston,.....	do.	6	6,000 00	180 00
Washington,.....	do.	6	338,311 64	10,149 35
Baltimore,.....	do.	6	72,600 00	2,178 00
Philadelphia,.....	do.	6	492,317 18	14,769 51
New York,.....	do.	6	3,965,256 72	118,957 70
Boston,.....	do.	6	273,300 00	8,199 00
Total of 1842,.....			\$5,148,485 54	\$154,453 56

1854.]

*Public Debt of the United States.*

673

New Orleans,.....	1846,	6	\$22,000 00	\$660 00
Charleston,.....	do.	6	20,900 00	627 00
Washington,.....	do.	6	151,200 00	4,536 00
Baltimore,.....	do.	6	98,200 00	2,946 00
Philadelphia,.....	do.	6	218,200 00	6,546 00
New York,.....	do.	6	3,185,100 00	95,553 00
Boston,.....	do.	6	77,000 00	2,310 00
Total of 1846,.....			\$3,772,600 00	\$113,178 00
New Orleans,.....	1847,	6	36,050 00	1,081 50
Charleston,.....	do.	6	180,900 00	5,427 00
Washington,.....	do.	6	440,000 00	13,200 00
Baltimore,.....	do.	6	751,250 00	22,587 50
Philadelphia,.....	do.	6	1,562,650 00	46,879 50
New York,.....	do.	6	16,691,500 00	500,744 63
Boston,.....	do.	6	272,850 00	8,185 50
Total of 1847,.....			\$19,935,200 00	\$598,055 63
Charleston,.....	1848,	6	4,900 00	147 00
Washington,.....	do.	6	156,241 80	4,637 25
Baltimore,.....	do.	6	112,350 00	3,370 50
Philadelphia,.....	do.	6	181,750 00	5,452 50
New York,.....	do.	6	5,702,100 00	171,663 00
Boston,.....	do.	6	56,700 00	1,701 00
Total of 1848,.....			\$6,214,041 80	\$186,421 25
Total transf'd stocks,.....			35,070,327 34	1,053,102 44
Coupon bonds,.....	1842,	6	1,486,000 00	44,530 00
do. ....	1843,	6	7,992,000 00	237,660 00
Texan indemnity,.....		5	4,801,000 00	120,025 00
Total,.....			\$14,209,000 00	\$402,265 00
			\$49,279,327 84	\$1,454,374 44
To which add loan of 1843, outstanding,			67,800, 00	
Texan indemnity not issued,.....			5,000,000 00	
Debt of corporate cities of the District of				
Columbia,.....			24,000 00	
Old funded and unfunded debt. ....			114,118 54	
Treasury notes outstanding,.....			114,561 64	
Total.....			\$54,599,807 52	
Deduct amount redeemed, upon which				
interest was not paid,.....			201,050 00	
Am't public debt,.....			\$54,398,757 52	
The interest on the above is payable at New Orleans, by James Brewer,				
Assistant Treasurer.				
At Charleston, by B. C. Preesly, Assistant Treasurer.				
At Washington, by Samuel Casey, Treasurer.				
At Baltimore, by Philip F. Thomas, Depository.				
At Philadelphia, by Daniel Sturgeon, Assistant Treasurer.				
At New York, by John J. Cisco, do.				
At Boston, by Ithamer W. Beard, do.				
TREASURY DEPARTMENT, REGISTER'S OFFICE,			F. BIGLER, Register.	
January 1, 1854.				

## FOREIGN ITEMS.

**BANK OF IRELAND.**—The half-yearly meeting of the court of proprietors took place on Monday, December 12th, 1853, Mr. John Barton, governor of the bank, in the chair. The following report was read:—"That it is the opinion of this court that a dividend of four per cent. be made to the proprietors of bank stock, free of income-tax, for the half-year ending the 25th instant. That public notice be given that that payment will be made at the bank on and after the 2d of January next. That the transfer books be shut from the 12th instant until the 2d of January next." The governor, in moving the adoption of the above report, said that he was requested by the court of directors to state that, in making the proposed dividend, after having provided for the payment of income-tax, there would remain, according to the estimate, a sum of about £11,000 to be added to the rest.

**POSTAL ANOMALIES.**—The postage on a letter exceeding an ounce in weight by the smallest scruple, transmitted to India, via. Marseilles, is, says Mr. Elihu Burritt, 7s. 9d. This is probably the most expensive route in the world. Still it is not the weight or bulk of the mails conveyed in this direction that makes this exorbitant charge for letter postage necessary; for a copy of the London Times, weighing three ounces, is transmitted to India, via. Marseilles, for 3d., or for only 1d. per ounce. Thus *manuscript* mail matter is charged at the rate of more than £12,000 per ton in this direction, whilst *printed* matter pays only at the rate of £150 per ton. The postal anomalies in other directions are more striking still. From the Channel Islands to the remotest of the Shetland group, changing from steamer to railway and from railway to steamer, for nearly 1,000 miles, the charge on a letter weighing half an ounce is 1d. From Dover to Calais, two ports almost within sight of each other, the charge on a letter of the same weight is 1s. 3d.! From the western boundary of Texas to the northeastern boundary of the American Union, a distance of three thousand miles, 1½d. From Dover to San Francisco, in California, via. the United States, involving the ocean transits, each averaging 2,000 miles, besides three inland services, 1s. 2d.! From Dover to Calais, a distance of less than 30 miles, *one shilling and threepence* for a letter weighing half an ounce! The charge on a single letter from London to New York is 1s., but from London to San Francisco, via. New York, 1s. 2d.—leaving only 2d. for the cost of transmission from New York to Chagres, thence across the isthmus to Panama, thence by ocean steamer to San Francisco, a voyage of about 15 days! These are some of the postal anomalies which would be removed by the establishment of a Universal Ocean Penny Postage.—*London Athenæum*.

**FRAUD ON LETTERS OF CREDIT.**—In the English Exchequer Court on the 26th of November, the reserved case of the Queen vs. Garret came up for review before Lord Campbell and his associate justices. The defendant in the case purchased some time since a credit from Messrs. Duncan, Sherman & Co., of New York city, a letter of credit upon the Union Bank of London, for £210. This he altered £5,210, and obtained from Messrs. Wilson & Co., of St. Petersburg, £1,200 giving them his check for £1,200 drawn upon the Union Bank. In the meantime the Union Bank had advice of the letter of credit for £210. The check for £1,200 was presented to the Union Bank, but payment was refused. The prisoner came to London, and was apprehended and indicted for an attempt to obtain money from the Union Bank. It was then contended by the prisoner's counsel that there was no offence committed in London, and that he had not committed the offence charged in the indictment. The judge left the intent to the jury, who found the prisoner "guilty;" but the point was reserved, and also as to whether the prisoner meant to obtain the money for his own benefit.

After full argument, the conviction of the prisoner was reversed. As the opinion of the court involved some nice points, we copy it entire, as we find it in the London Times:

Therefore, it seems to me that this cannot be considered as an obtaining of money within the meaning of this act of Parliament, for the object was, where there was a nice distinction between larceny and fraud, that the party should not go unpunished,

but it is with a view to larceny that the enactment has been adopted by the Legislature; therefore, with regard to larceny, we must see whether there must not be some advantage to be obtained by the person who took the chattel of the other—it is not necessarily a pecuniary advantage—it would not amount to larceny if we proceed upon the finding of the jury; but we think the finding of the jury amounts to this, that the prisoner foresaw, or anticipated that it would be presented to the Union Bank; not that he wished it to be done. In one sense it might be said that he meant it, because of the maxim that every one means that that should be done which is a natural consequence of the act that he does; and, in that sense, it might be said that the prisoner meant that the check should be presented and paid; but that cannot be adopted to show that it was the real wish of the party that the check should be honored, for it seems to me that it would be a confounding of offences altogether. There is a gross fraud, but no obtaining of money by false pretences within the meaning of this act of Parliament.

I am of opinion that this conviction cannot be supported. The question is, whether, supposing the Union Bank had honored the draft, the prisoner could then have been indicted upon this statute for obtaining money on false pretences? I am clearly of opinion he could not. I do not proceed upon the ground that the offence was committed beyond the jurisdiction of the court, because, by the employment of an agent in this country by a person living beyond the the jurisdiction, the person so living beyond the jurisdiction may be amenable to the law of England when he comes within it—but I am of opinion this would not have been of obtaining money within the meaning of the act of Parliament. I think that contemplates the fact of money being obtained according to the wishes, or to gain some advantage for the person who makes the false pretence. Now, here it was not to gain any object by the prisoner; no advantage could arise to him from the check being honored; he had reached his full object; he had gained the sum of his ambition when he was in St. Petersburg; he received the money and put it in his pocket; it was indifferent to him whether afterwards Wilson obtained the money from the Union Bank; and no advantage could arise to the prisoner from that bill being honored, but more to his advantage that it had been burnt, or had been sent to the bottom of the sea.

---

### MISCELLANEOUS.

**PITTSBURGH PROPERTY.**—One of the most important cases ever brought before the courts at Pittsburgh, was decided by Judge GRIER in the U. S. Circuit Court.

According to the Pittsburgh Commercial Journal, its history may be summed up as follows:

A property in the city and in the environs of Pittsburgh, in the infancy of the city, valued by a sheriff's jury some months after its conveyance to the Bank of Pittsburgh, at the total sum of \$19,700, was taken to account by the bank in 1820, in payment of a debt of \$21,740, and interest. It is not alleged that Cromwell did not owe the money, nor that the property, at the time of the transfer, was worth any more than the sum due the bank. On the contrary, a formal appraisement shows that the property was not worth the debt by \$2,000 at the time.

But Pittsburgh has grown to a vast town, and the property in question having increased to millions, legal ingenuity finds it worth while to pursue an irregularity in the proceedings by which this property was finally vested in the bank *thirty-three years ago*. No pretence is made that Mr. Cromwell, at the time, was wronged; but the fortuitous advance in the value of the estate, seen through the crack of an irregularity in the proceedings, happily cured in season, are the argument and substance of the whole case. Without meaning, therefore, any discourtesy to the learned counsel of the complainants, who was complimented highly by Judge Grier for his management of the case, we must be permitted to repeat our exultation over the defeat of the claimants, and the triumph of the bank and the numerous individuals holding title through purchases from the bank, as long as thirty years ago. It is well for society when such cases are settled as this one has been.

**CALIFORNIA STATE DEBT.**—In the report which we published yesterday of the Joint Committee appointed by the last Legislature, the debt of the State is set down at three millions one hundred and ninety-seven thousand, six hundred and eighty-eight dollars. The annual interest to be paid is two hundred and thirty-one thousand nine hundred and twelve dollars. The question naturally occurs to every tax payer and person interested in the prosperity of our State, for what has this sum been expended? Why has a State with only about 300,000 population, and organized so short a time, incurred such an amount of indebtedness?

The reason is plain. Extravagance marks every thing in this country. There is no such thing as economy, in the sense in which the term is used in the Eastern States. A person would naturally suppose that where every thing was high, the people would be more cautious in incurring expenditures. Such, however, is not the case. What comes easily goes easily. For printing alone, the State has paid more than a half million of dollars. And this is a fair specimen of its expenditures in all the departments. The Legislature voting themselves extra pay, or voting themselves cash, to be raised by forced loans at enormous rates of interest, is a most shameful transaction. The Legislator who would be guilty of such an act, is unfit for the office which he holds. Let the people look to and reform this matter before the evil progresses any further.—*San Francisco Chronicle*, Dec. 15.

**CALIFORNIA IMPORTATIONS.**—The San Francisco Price Current for Dec. makes the following remarks on the excessive shipments to that port from the Atlantic Cities:

The amount paid or due to vessels which arrived during the last month, is \$665,557. Of this, \$273,337 were for freights from New York, \$147,753 for freights from Boston, \$85,011 for freights from other eastern ports, and \$159,256 for freights from foreign ports. When it is recollected that this sum is for a *single month*, to a country that has a population of only 300,000, the statement seems extraordinary—incredible. What can the people of the Atlantic States be thinking of? How do they suppose 300,000 people can pay even for the freight of these goods in a single month, to say nothing of the value of the goods themselves? It is impossible; and the consequence is, what might have been expected, goods of nearly every description are selling here to-day for less than they cost in New-York. This is ruinous to everybody but the consumer. By glutting the market, those who send goods here lose money, and help to destroy the profits of our merchants, who, it is said, have scarcely paid expenses during the past year. The success which attended the shipment of goods last year, has overstocked and almost ruined everybody engaged in the same business this year. The evil, however, will cure itself, but not, we fear, until it has ruined many clever men, who merited a better fate. There is nothing like experience, but it is a school in which but few can afford to take lessons.

**THE MINT.**—The Philadelphia papers are already debating the subject of the removal of the Mint from Philadelphia to New York. The coinage at the Mint for the past eleven months exceeded fifty millions of dollars; nearly every dollar of which was transmitted from this place to Philadelphia, and thence back again, at no inconsiderable expense to the depositors. The Philadelphia *North American* states as follows:

The Philadelphia Board of Trade, at its last meeting, referred to a committee the subject of the proposed removal of the Mint from this city to New York, with instructions to devise and report such measures as they may deem necessary to defeat the object. This action was induced by a well founded belief that the efforts heretofore made to effect a transfer of the institution named from this place to the banks of the Hudson will be renewed, with redoubled zeal and vigor, during the approaching session of Congress; and the expression of a very proper resolution, on the part of this community, to resist a movement originating in, and still actuated by, the selfish rapacity of a rival port to aggrandize itself by monopolizing every particle of government patronage that may be made tributary to such a purpose, has awakened the wrath of our neighbors. Their feelings have found utterance in an article entitled "Pennsylvania Trade Policy," which appeared a few days since in a New York Journal, and was marked by the tone of arrogance which usually characterizes every thing that emanates from the same press respecting our pretensions to a commercial rivalry of the Empire City.

**REPEAL OF THE USURY LAWS.**—The Legislature of Georgia has under consideration a proposition to abolish the laws against usury. The Charleston *Mercury* states:

"We observe that a movement has been made in the Georgia Legislature to abolish the legal provision that makes it a crime for one citizen who has money, to lend it to another who wants it, for a less premium than the law-makers have considered a fair standard. In an age when they say 'Commerce is King,' and free trade has become a sentiment, it would seem no more than necessary to state the question, in order to show where the right was; but this subject of money has been so demoralized by we know not what meddling of casuists, that it has no fair place in the ordinary conception of the topics of political economy. In fact, money is a valuable commodity, having different prices at different times, and the law seeks to force upon it the same value at all times."

**INTERESTING RELIC.**—A few specimens exist of species of currency which circulated in Albany in the year 1792. We copy it as follows:

THE bearer is entitled, on demand, to receive

THREE PENCE,

Out of the Treasury of the City of Albany—By an order, dated Sept. 5, 1792.

*E. Willett,*

3d.

Treasurer.

On the reverse it reads:

By order of the Mayor, Aldermen and Commonalty of the City of Albany,  
Sept., 1792.

THREE PENCE.

Printed by C. R. & G. G. Webster.

**DEBT OF ALABAMA.**—A joint committee of the Alabama Legislature, appointed to examine the accounts of Francis S. Lyon, commissioner and trustee of the State Bank and Branches, have reported that the bonded debt of the State was \$9,232,555 55, bearing an annual interest of \$472,757 77; which debt is now reduced to \$3,584,666 67, bearing an annual interest of \$178,523 33. The entire circulation of the banks outstanding 1st November, 1847, was \$457,177, which is now reduced to \$291,237.

**CASE OF LIFE INSURANCE.**—A very peculiar case, (says the Rochester Union,) arising on a life policy, has recently been adjudicated in that judicial district. N. Osborne, Esq., at the instance of the late H. B. Williams, Esq., procured a policy of insurance upon his life for some \$2,500, under these circumstances: Several risks had been taken prior to Mr. Williams' leaving for California, by an insurance agent in that city, and prior to the application of Mr. Osborne, which was declined. Mr. Osborne then made an application to a New York agency of a British Company, the application and certificate of the state of Mr. Williams' health being dated September 5th. The risk was taken by the Company in question, and the policy dated Oct. 7th.

It so happened, that on the evening of the very day on which the policy was issued, Mr Williams died on the Isthmus, of cholera, of which he had been sick several days. The company refused to pay, on the ground that Mr. Williams was not well at the time the risk was taken. Suit was brought, and the court held that the policy was granted on the state of facts existing at the date of the application, and that the company assumed the risk involved in the subsequent lapse of time. Mr. Osborne recovered the amount of his claim, and the company has paid it.



## BANK ITEMS.

**NEW YORK.**—The charter of the Phenix Bank, of this city, expired on the 1st January, 1854. "The Phenix Bank of the City of New York" was immediately organized, and assumed the business of the old concern, with the same capital and the same officers.

**New York City.**—Elijah F. Purdy, Esq., having been appointed President of the Sixpenny Savings Bank, and declined a re-election as President of the Empire City Bank, Cassius P. Peck, Esq., has been elected President of the latter institution.

**New York.**—The dividends of the banks alone in this city amount to \$1,113,995, for the month of January, viz.:

	Capital.	Rate.	Amount.
Bank of America,.....	\$2,000,000	4	\$80,000
Bank of Commerce,.....	5,000,000	4	200,000
Bank of New York,.....	1,500,000	4	60,000
Bank of North America,.....	1,000,000	3½	35,000
Butchers and Drovers' Bank,.....	600,000	5	30,000
Central Bank,.....	300,000	3½	10,500
Chemical Bank,.....	300,000	6	18,000
Continental Bank,.....	1,500,000	4	60,000
East River Bank,.....	413,050	4	16,520
Empire City Bank,.....	308,000	3½	10,780
Grocers' Bank,.....	300,000	3½	10,500
Irving Bank,.....	300,000	3½	10,500
Knickerbocker Bank,.....	400,000	3½	14,000
Market Bank,.....	650,000	4	26,000
Mercantile Bank,.....	800,000	5	40,000
Merchants' Exchange Bank,.....	1,235,000	4	49,400
Metropolitan Bank,.....	2,000,000	4	80,000
Nassau Bank,.....	500,000	4	20,000
North River Bank,.....	655,000	5	32,750
New York Dry Dock Bank,.....	200,000	4	8,000
New York Exchange Bank,.....	130,000	4	5,200
Ocean Bank,.....	1,000,000	3½	35,000
Pacific Bank,.....	422,700	4	16,908
People's Bank,.....	412,500	3½	12,437
Phenix Bank, (final.) .....	1,200,000	15	180,000
Seventh Ward Bank,.....	500,000	4½	22,500
Tradesmen's Bank, per share,.....	400,000	3	30,000
<b>Total capital and dividends,.....</b>	<b>\$24,026,250</b>		<b>\$1,113,995</b>

An average of about 4.63 per cent. for six months, or 9.26 per annum. In Boston, we observe that the average for some years past has been 7.68 to 7.81 per cent., while in Philadelphia, last year, the average was about 10.50 per cent., their capital being much less than in Boston or New York, as well as their liabilities.

**Newburgh.**—The Quassanic Bank of Newburgh, has resolved to increase its capital stock, subscriptions for which will be received at the banking house for the first ten days in March, the privilege being confined to shareholders.

**Lockport.**—J. E. Robinson, Esq., has been elected President of the Lockport Banking and Trust Co., in place of Isaac C. Colton, Esq., resigned.

**Utica.**—James Watson Williams, Esq., has been elected Cashier of the Oneida Bank, Utica, in place of B. B. Lansing, Esq., deceased.

**Kinderhook.**—The Directors of the Bank of Kinderhook have decided to increase the capital from its present amount, \$125,000, to \$200,000. The additional sum has been subscribed, and will be shortly paid in; thus adding to the banking facilities of one of the most growing towns of the State.

**North Granville.**—The Merchants and Mechanics' Bank of Oswego, located at North Granville, suspended payment in January. The bank was merely one of circulation, and reported no capital on hand at the last quarterly statement.

**NEW JERSEY.**—The report of the New Jersey Bank Commissioners to the Legislature, furnishes the following information relative to the banks under the general laws of the State:

The City Bank at Cape Island has closed its business, and the Bank of Cape May Co. has been started in its place. Its stock is generally owned in the county, and it is doing a *bona fide* business.

A new bank, called the Mechanics and Traders' Bank, has been established in Jersey City, since the last report, which is also *bona fide*, and apparently sound and healthy.

The Hudson Co. Bank, Newark City Bank, Bordentown Banking Co., and Central Bank, Hightstown, conduct a legitimate business, and deserve the confidence of the community. The Hudson Co., the Bordentown Banking Co., and the Central, have applied for and obtained an increased amount of stock.

The Ocean Bank, at Bergen Iron Works, the Delaware and Hudson, at Tom's River, the Merchants' Bank, at May's Landing, the Atlantic, at Cape May Court House, the Farmers', at Freehold, and the Tradesmen's, at Flemington, are in process of liquidation.

Legal proceedings have been commenced since the last report against the American Exchange Bank, Cape May Court House, the Bank of America, do., and the Traders', do. The American Exchange Bank has been closed by law. The proceedings against the other banks have been suspended, they having complied with the law. The case of the Merchants' Bank at Bridgeton is still before the Chancellor.

The Commissioners cannot say as to the character of the Public Stock Bank, Belvidere, the Passaic County Bank, at Paterson, the Wheat Growers', at Newton, the Bank of North America, at Flemington, and the American Bank, at Trenton; but no legal complaint has been made concerning them.

The Commissioners recommend the enactment of a supplement to the general law, with the following features:

1. No bank to have notes from the Treasurer till a certificate is given that their capital stock is paid in in specie.
2. No bank to organize till \$30,000 is placed with the State Treasurer.
3. No bank to receive notes till the Bank Commissioners certify to their possessing a *bona fide* banking house.
4. Three directors to be residents of the place where the bank is located.
5. Annual statements hereafter to be made to the Bank Commissioners.
6. Stockholders to file certificates that they are *bona fide* owners of the stock registered in their names.
7. The Commissioners' approval of the location of a bank be necessary to its going into operation.

**PENNSYLVANIA.**—**Pittsburgh.**—The charter of the Citizens' Deposit Bank, of Pittsburgh, was granted April 29th, 1853. The capital is limited to \$200,000. The bank has commenced business. Cashier, E. D. Jones, Esq.

**VIRGINIA.**—The capital stock necessary to start the Citizens' Bank of Virginia, to be located at Harrisonburg, was subscribed in that town, a short time since, in a few hours after the books were opened. A few thousand dollars over and above \$100,000, the amount necessary to organize, was obtained.

**Fredericksburg.**—Eustace Conway, Esq., was, on Monday, January 9, elected President of the Branch Bank of Virginia, at Fredericksburg, in place of Col. Hugh Mercer, deceased.

**Guyandotte.**—Mr. Smith, from the Senate Committee on Banks, reported a bill to incorporate the Bank of Guyandotte, in the county of Cabell; also, a bill to provide for the suppression of the circulation, as currency, of notes of a less denomination than five dollars, which, on motion of Mr. Smith, was read a first time, and ordered to be printed.

*Port Royal.*—The Board of Directors of the Bank of Virginia have concluded to establish a branch at Port Royal, Caroline county.

*Ohio.*—It having been stated that the Western Reserve Bank, at Warren, had refused payment of its notes, the Cashier addressed the following denial to the office that originated the report:

"WARREN, JANUARY 14, 1854.

"T. W. LORD:—On Thursday, when I was out of town, our Teller could not unlock the vault, and it remained closed about two hours, during which time one Kibbee presented a small amount of our bills for redemption, and as he was not paid until the vault was opened, I presume he is the person who reported to your city. The vault was opened before noon on Thursday, since which time we have redeemed all of our bills offered.

GEO. TAYLOR, Cashier."

*INDIANA.*—A convention of delegates of the different free banking institutions of Indiana met at Indianapolis last week. The convention formed itself into an association for mutual protection, to meet semi-annually at Indianapolis. Among the resolutions adopted were the following:

"*Resolved*, That we will purchase no coin of any banker or broker who directly or indirectly makes a practice of sending home our circulation, and we invite the banks of this and other States to unite.

"*Resolved*, That we earnestly recommend, not only the free banks of Indiana, but all other banks of the West, to procure their coin at New Orleans or the Atlantic cities.

"*Resolved*, That we will sustain and protect each other in case of unusual drafts for coin, but that we recommend each bank to fortify itself strongly, and rely as far as possible upon their own resources.

"*Resolved*, That we will fellowship all banks, wherever established in the State whose proprietors conform strictly to the law regulating free banking, and that we will draw no coin from any regular bank existing under authority of law."

*TENNESSEE.*—John M. Bass, Esq., resigned the presidency of the Union Bank of Tennessee, at Nashville, on the 13th of October last, an office which he had held nearly twenty years. The Board of Directors passed the following resolutions on the 30th December:

"*Resolved, unanimously*, That in accepting the resignation of Mr. Bass, and in view of his long service, the ability and energy he has displayed in the management of the affairs of the bank, and his courtesy and kindly bearing in all our social intercourse, we part with him with unfeigned regret, and regard his retirement as a serious loss to the best interests of the institution.

"*Resolved*, That we commend him to the confidence and esteem of the citizens of New Orleans, and tender him our best wishes for his success and prosperity in the future."

John Kirkman, Esq., has been elected successor to Mr. Bass in the presidency of the Union Bank of Tennessee.

*Knoxville.*—The Farmers' Bank of Tennessee commenced operations at Knoxville on the 3d of January, under the general banking law of the State. H. L. McClung, Esq., President, and A. McClung, Esq., Cashier.

*Memphis.*—The Southern Bank of Tennessee has been established at Memphis, under the general banking law of the State. President, Winston J. Davie, Esq. Cashier, W. S. Macrae.

*LOUISIANA.*—The charter of the Union Bank of Louisiana having expired, another institution with the same name has been organized under the general banking law of the State, and located at No. 121 Canal street, New Orleans. Phenix W. Wood, Esq., for many years Treasurer of the New Orleans Gas Light Company, has been chosen Cashier of the new bank.

*MASSACHUSETTS.*—A petition for the charter of a Four Penny (six cents) savings bank has been presented to the legislature of Massachusetts. It is probable that the plan of the Six-Penny Savings Bank, at present in operation in New York, will be adopted in Massachusetts, Pennsylvania, Maryland and Ohio, and other States.

Those who wish to ascertain the plan and by-laws, &c., of this bank, can obtain a copy upon application by mail, or personally, addressed to E. F. Purdy, Esq., President, New York City.

*New Bedford.*—At a meeting of the Directors of the Merchants' Bank of New Bedford, January 3d, 1854, the following preamble and resolutions were unanimously adopted and ordered of record:

*Whereas*, It has pleased the Wise and Sovereign Disposer of events, to remove from among us another of our number, one who has been, from the commencement of our institution, a member of the board, and the official head of the corporation:

*Resolved*, That in the death of the President of this Institution, the Hon. JOHN A. PARKER, we lament the loss of one whose long connection with it, and whose integrity and efficiency in the discharge of the duties of his position, gave confidence to his associates and satisfaction to those interested in its success:

*Resolved*, That our late colleague and President possessed, in a striking degree, the qualities which constitute a useful head of a moneyed institution—sagacity, firmness, urbanity; and it is with feelings of satisfaction that we look back upon our intercourse, and recall to our recollection his useful labors and friendly regard:

*Resolved*, That our late President had a just and elevated view of the principles upon which a moneyed institution should be conducted; and in the motto upon the seal of our corporation, "*COMMODO PUBLICO VICEMUS*,"—"we thrive with the public thrift," we find the expression of the sentiment constantly recognised by him in the administration of the duties of his office.

It is proper to allude to the indomitable energy displayed by Mr. Parker during the financial crisis of 1831 and 1837, when he was almost the back bone of New Bedford. While other capitalists were shaking in the gale, Mr. Parker not only met his own responsibilities with perfect promptness, but, upon one occasion, himself discounted paper to the amount of \$250,000 at ordinary bank rates, an operation which could not have been without its favorable effect upon the market, and which fully exemplifies the commercial courage of Mr. Parker, and the confidence which he had in the ultimate resources of New Bedford.

Mr. Parker had been, in the course of his life, a member of the House of Representatives, of the Senate, and of the Executive Council.

Charles R. Tucker has been chosen President of the Merchants' Bank, New Bedford, in place of Mr. Parker, deceased, and P. C. Howland, Esq., Assistant Cashier.

*Cambridge.*—The capital stock (or fifty per cent.) of the Lechmere Bank, at East Cambridge, has been paid in, and the Bank commenced business on Monday, January 16th. John Savage, Jr., Esq., Cashier.

The Lechmere Bank issues bills of the denominations of \$1, 2, 5, 10, 50, 100 and 500. The vignettes represent a view of East Cambridge, as seen from the Lowell Rail-Road depot in Boston. The bills also bear the heads of Washington, Hancock, Webster, and the late Edmund Winchester of Cambridge. The view of East Cambridge and the portrait of Winchester are to be used exclusively on the bills of this bank.

*Northboro.*—Application has been made to the Legislature of Massachusetts for the incorporation of a bank at Northboro.

VERMONT.—The Legislature of Vermont, at its recent session, chartered six new banks with the following capitals:

At Northfield, \$100,000; Jamaica, \$100,000; Bradford, \$100,000; Royalton, \$100,000; Waterbury, \$100,000, and Springfield, \$50,000. The Banks of Rutland, St. Albans, Vergennes, and Montpelier were re-chartered, giving Rutland an additional capital of \$150,000, St. Albans, \$100,000, and Vergennes, \$50,000. The Bank of Brandon receives an addition to its capital of \$25,000. Making a total increase of bank capital in the State of \$875,000! And all this, too, with the general banking law of 1851 unrepealed. This will do pretty well for a democratic legislature. Whole number of banks now chartered in the State, *thirty-nine*. Total amount of capital, \$3,789,040.

RHODE ISLAND.—John Luther, Esq., was, on the 31st of December, elected Cashier of the Blackstone Canal Bank, in place of D. W. Vaughan, Esq., who, in conjunction with Mr. B. B. Wiley, has entered into the banking and brokerage business at Providence, under the name of D. W. Vaughan & Co.

*New Law of Rhode Island.—State of Rhode Island and Providence Plantations. In General Assembly, June Session, A. D. 1853.*

AN ACT to prohibit the issue of Fractional Bank Bills.

Sec. 1. No bank incorporated within this State, shall hereafter issue, re-issue, or circulate any bill for any fractional parts of a dollar, under a penalty of a fine of fifty dollars, to be recovered to the use of the State by indictment against the President or other officers of such bank who shall sign or issue the same.

Sec. 2. This act shall take effect on the first day of September next, 1853.

CONNECTICUT.—The stock of the Bridgeport (Ct.) City Bank has been all taken up. It will commence business in two or three months, under the management of A. P. Houston as President, and G. H. Fairchild as Cashier.

MARYLAND.—Joseph H. Tucker, Esq., formerly Cashier of the Mineral Bank, at Cumberland, has been elected President of that Bank, in place of Thomas J. McKaig, Esq., resigned.

SOUTH CAROLINA.—The General Assembly of South Carolina, at its recent session, re-chartered the following banks: Bank of Charleston; Bank of South Carolina, Charleston; the State Bank of South Carolina; the Merchants' Bank, Newbern; the Bank of Camden; the Bank of Hamburg.

The following acts were also passed: 1. To incorporate the Central Bank of South Carolina. 2. To extend the time for receiving subscriptions to the Western Bank of South Carolina, at Anderson. 3. To authorize the Bank of Newberry and the Planters' Bank of Fairfield, to increase their capital. 4. To incorporate the Newberry and Chester Rail-Road Company. 5. To incorporate the Branchville and Savannah Rail-Road Company. 6. For the establishment of a general system of registration of births, marriages and deaths in the State of South Carolina.

WISCONSIN.—The Oshkosh City Bank commenced business a few weeks since. J. Kneeland, Esq., of Milwaukie, President, and B. S. Henning, Esq., Cashier.

*Bank Bills.*—By a law passed last winter, it is enacted that after the first of January, 1854, the circulation of bills of a less denomination than five dollars, issued by any bank out of the State of Wisconsin, is *prohibited*, under a penalty of not less than five nor more than one hundred dollars; and contracts in which such bills are a consideration are void.

We have not the slightest idea that the law will be obeyed, but still desire our readers to know the law. Probably one of the earliest acts of the Legislature about to assemble, will be its repeal.—*Milwaukie Sentinel*.

## NEW PUBLICATION.

*The American Almanac and Repository of Useful Knowledge, for the year 1854.* Boston: PHILLIPS, SAMPSON & Co. New York, G. P. PUTNAM & Co. 12 mo. pp. 352. Price One Dollar.

This valuable work is compiled with great labor and care, and supplies a mass of useful details that cannot be found elsewhere. To the Astronomical and Scientific department is added an elaborate communication, by Professor Lovering, on "Atmospherical Electricity." The second part is devoted to copious lists of Government and State Officers; Finances of the several States; Coinage, Revenue, Imports, &c., of the United States for each year since the formation of the Government. The "American Obituary" includes notices of the deaths of noted persons during the past year. Added to this work is a "Foreign Obituary" for 1851, '52, comprising the most prominent persons deceased. This is a new and valuable feature in the work.

## Notes on the Money Market.

NEW-YORK, JANUARY 26, 1854.

*Exchange on London, at sixty days' sight, 9 @ 9½ premium.*

SINCE the 1st instant there has been a gradual improvement in the money market. With the aid of liberal loans from our City banks, large dividends from various banking and insurance companies, and aided by a large export trade, the features of the money market are more favorable than they have been for six months past.

The foreign demand for cotton continues very large, at remunerating prices, and contributes essentially to the improvement visible in money matters. The export for the current year is not quite so large as during the same season in 1852-'53: but the prevalent opinion is, that the crop of 1853-'54 will fully equal that of the last year. Such are the abundant facilities in money matters, at the South as well as the North, that the planters and cotton dealers are enabled to hold on to their stocks without shipping too early.

The heavy export of breadstuffs to Europe is an exceedingly fortunate circumstance in the progress of financial affairs. It has enabled the country to discharge a large portion of the debt created abroad during the past eighteen months.

The combined values of cotton and grain for the current year, may be set down at one hundred and fifty millions of dollars. We may rely upon a continued export, and a still larger one of cotton, during the coming three or four months, and there is no apparent diminution in the foreign demand for breadstuffs. The prices realized compensate the agriculturist liberally. In fact the existing prices are higher than at any period since the famine year of 1847. The troubles in Europe will, for a few months at least, if not for an entire year, serve to keep up a liberal demand for the surplus wheat and corn that can be produced in this country.

One severe drawback upon the money market for the past six weeks was in the extraordinary and disastrous losses by fire and at sea. There has been a remarkable series of disasters within ninety days past which have fallen heavily upon our underwriters. One or more of the insurance companies in the interior towns have suspended business, without ability to pay their losses. The Atlantic Mutual (marine) Insurance Company of New York, after remarkable success for many years past, has now suffered so heavily that they decline taking further risks. The same course has been adopted by the Atlantic Mutual Insurance Company of Baltimore. The increased number of new insurance companies formed in this city during the past year, and the profits that for some years had resulted in this business, led many to reduce the rates of premium to such a degree as will not, it now proves, be remunerative. Those companies that continue their business will feel compelled to advance the rates on marine and fire risks.

The bank movement of New York for the past six months, as compared with previous years, is shown in the annexed table of loans, specie, circulation and deposits:

		<i>Loans.</i>	<i>Specie.</i>	<i>Circulation.</i>	<i>Deposits.</i>
September, 1849,	. . . . .	\$51,079,220	\$8,022,250	\$5,990,100	\$28,551,092
" 1850,	. . . . .	62,896,522	9,056,135	6,695,010	37,230,890
" 1851,	. . . . .	65,426,858	6,082,463	7,376,114	36,957,870
" 1852,	. . . . .	88,815,464	8,702,895	8,678,664	50,216,410
February 26, 1853,	. . . . .	95,274,376	8,991,630	9,274,025	57,556,507
June 11, "	. . . . .	95,520,656	12,174,509	9,084,106	59,078,171
August 6, "	. . . . .	97,899,617	9,746,552	9,510,465	60,994,568
September 8, "	. . . . .	91,741,838	11,268,049	9,554,294	57,502,970
" 17, "	. . . . .	90,190,589	11,880,235	9,566,723	57,612,301
October 1, "	. . . . .	90,149,540	11,231,913	9,521,665	57,968,661
" 15, "	. . . . .	87,887,273	11,380,172	9,464,714	59,064,674
" 29, "	. . . . .	83,400,321	10,866,672	9,800,350	58,885,469
November 12, "	. . . . .	82,832,409	12,823,575	9,257,629	56,201,007
" 26, "	. . . . .	81,802,530	13,343,196	9,082,769	58,678,076
December 10, "	. . . . .	86,709,623	12,493,760	9,075,704	57,883,076
" 24, "	. . . . .	88,760,623	11,981,270	8,867,261	59,143,831
" 31, "	. . . . .	90,162,106	11,058,478	8,927,018	59,968,976
January 7, 1854,	. . . . .	90,183,837	11,506,124	9,075,129	60,885,362
January 21, "	. . . . .	90,063,783	11,485,156	8,606,235	59,071,252

The greatest depression in the amount of loans was in the second week in November, \$82,882,000, and the lowest amount of specie was early in August \$9,746,000. Some attempts are now made at Albany to obtain a modification or abrogation of the law requiring weekly returns from the banks of this city. It is to be hoped that no material change will be made in this law. The banks have now, after a trial of six months, fully tested the workings of the law, and find it produces more uniformity of action than previously existed. Under the present system no great expansion by the whole, or by any one institution, can take place.

The supply of gold from California continues unabated. The receipts at this port by steamer, from San Francisco of 1st December, were \$1,900,000; of 15th December, were \$2,300,000. The total shipments from San Francisco for the year 1853, were \$47,914,447 to the Atlantic ports, \$890,781 to New Orleans, and \$6,601,728 to foreign ports.

The principal stock operation of the month was the negotiation of \$1,478,000 seven per cent. bonds of the Panama Rail-Road Company. The loan was taken at various rates, ranging from 92.01 to 97.50, and an average of 92.96 per cent., producing in the aggregate \$1,374,078. Nothing but an adverse condition of the money market could have led to such an unfavorable sale. The security is considered ample. The following were the successful bids:

	Amount.	Price.		Amount.	Price.
J. T. Soutter, . . . . .	\$50,000	97 50	Alsop & Channey, . . . . .	\$100,000	92 75
Cothrel & Co., . . . . .	10,000	96 00	E. Bartlett, . . . . .	60,000	92 72
W. Fellowers, . . . . .	50,000	96 00	Ward & Co., . . . . .	10,000	92 75
Cothrel & Co., . . . . .	10,000	95 00	D. Headley, . . . . .	12,000	92 55
F. Skiddy, . . . . .	10,000	94 00	A. Hoffman, . . . . .	10,000	92 55
W. H. Aspinwall, . . . . .	100,000	93 01	De Launey, I. & Co., . . . . .	30,000	93 53
Ward & Co., . . . . .	5,000	93 00	W. H. Webb, . . . . .	30,000	92 50
W. A. Coit, . . . . .	25,000	93 00	G. B. Lamar, . . . . .	500,000	92 51
C. W. Lawrence, . . . . .	50,000	93 00	De Launey, L. & Co., . . . . .	26,000	92 01
Cothrel & Co., . . . . .	10,000	93 00			
Ward & Co., . . . . .	10,000	93 00	Total, . . . . .	\$1,478,000	
Moses Taylor, . . . . .	100,000	93 00			

We learn that the total amount bid for was \$2,122,000; the lowest rejected bid being 90 per cent.

In the Boston stock market, we find that prices are now better sustained than at New York, compared with those of January, 1853. Bank shares particularly, maintain their values, not one being at a discount in that city on the 1st instant; while the premiums range from two to fourteen per cent. The copious tables contained on page 667-9 of the present number, will show the slight changes that have occurred in these shares during the past year. The manufacturing companies representing a capital of over forty millions of dollars, are not in so favorable a condition, as is shown on page 669. The stocks of twenty-four of the companies there detailed, are at a discount and the average of dividends made during the past year is any thing but flattering.

It has been generally supposed that the increased business in cotton manufactures, with high prices, during the past two years, would yield good returns to stockholders, but the tables now published do not confirm this.

The rates of domestic exchange at New York are less favorable than they were a few months since. The western and southern banks have drawn off their balances at this point, which has not only curtailed the means of our own banks, but has served to check the facilities of negotiating on remote places.

We refer our readers to the previous pages of this number, in which will be found valuable tables exhibiting the financial condition of various States and cities, and the progress of banking in various quarters. Ohio seems to be the only State that is making a retrograde movement.

From an article in the Cincinnati *Commercial*, we learn that there is now in that city but one bank—the Mechanics and Traders'—authorized to issue notes for circulation. This is a most surprising fact, for a large commercial city, employing necessarily a vast amount in bank notes issued somewhere. Says the *Commercial*:

"We do business with a currency manufactured in Kentucky, Indiana, New York and New England. We not only pay a heavy tribute to those States for facilities which we might better furnish to ourselves, but we bring an Eastern competition for the profits of our home trade among us, in the persons of those who, connected with foreign banking institutions, enjoy privileges which we are denied."

The Legislature of Ohio has levied such severe taxes upon bank capital, that several of the banks are in process of liquidation, rather than submit to such severe and illiberal taxation. It is a singular fact, that the banking capital of Ohio is much less now than it was two or three years since, while Kentucky, Indiana and Illinois, are judiciously enlarging their banking operations.

THE  
BANKERS' MAGAZINE,  
AND  
Statistical Register.

VOL. III. NEW SERIES.

MARCH, 1854.

No. IX.

FINANCIAL CHARITIES OF THE AGE.

*The Sixpenny Savings Bank—its utility. Charter and By-laws. First Annual Report, showing the operations of the year 1853—4.*

WE adverted, in our number for August last, to the then recent establishment of the Sixpenny Savings Bank in this city. It was then an experiment; it is now something more, having become one of the well established moneyed institutions of the metropolis, and even now, in its early infancy, accomplishing much good. The classes of persons benefited by this new institution are those who would not ordinarily avail themselves of the principles of the older savings banks. The charm is in the mere term of a *sixpenny*—a sum that could not be deposited in the old-fashioned concerns.

Every married woman and every minor who deposits in the Sixpenny Savings Bank, will have their funds under their own control; and even were no interest allowed, the privilege of having such a safe depository for small earnings would be no small one. The benefits to the community do not arise in the shape of interest upon the accumulated savings; but they may be estimated, first, in the favorable influence they exert upon the poorer classes to save their shillings and sixpences; and, secondly, that the deposits of the minor shall be secure from theft, and secure from the grasp of worthless parents.



The utility of the Sixpenny Savings Bank is peculiarly observable in the large cities. It is there that the poor congregate in large numbers, and are forcibly exposed to the temptations to excess. But it is already found that the new plan will find numerous friends elsewhere. In the smaller towns and cities, applications have been made for the establishment of similar institutions. The officers and trustees of the parent bank in New York are besieged with letters from nearly every State in the Union, requesting information as to the plan and management of the Sixpenny Savings Bank. We find that already the plan has been (or shortly will be) adopted in Boston, Philadelphia, Cincinnati, Rochester, Lowell, Baltimore, New Orleans, Pittsburgh, and other places.

Applications are now pending before the legislatures of Massachusetts and New York, for charters similar to that granted for New York City. The appeal from Rochester has been answered affirmatively. Upon the presentation of a report in favor of a charter for a Sixpenny Savings Bank in Rochester, it was proposed that, instead of special charters of this kind, a general law should be adopted; but this was successfully opposed.

In Massachusetts, the applications for charters for Penny Savings Banks are more numerous than elsewhere. Respectable and influential persons in the following towns, have petitioned for charters, viz.: 1. Boston. 2. Worcester. 3. Lowell. 4. Woburn. 5. North Bridgewater.

A charter is desired, also, in Boston, for the "Sixpenny Savings Bank and Seven Years Survivorship Society."

In order to give our distant readers a clear insight into the objects contemplated in the establishment of the Sixpenny Savings Banks, and into the proper mode of their management, we have thought best to give in detail the charter of the institution now in operation in this city, followed by the by-laws adopted by the trustees. In case any of our friends at a distance should desire to follow the example set them by the New York parties, they will find the present charter a safe model, subject to such modifications as the business and local condition of small places may suggest. Having this charter before them, they can understandingly appeal to the good sense and sympathies of the legislature, for the incorporation of other banks of the same kind.

Pamphlets containing the following charter and by-laws can be had (gratis) on application to the publisher of this work.

AN ACT TO INCORPORATE THE SIXPENNY SAVINGS BANK, IN THE CITY OF  
NEW YORK, PASSED JUNE 4, 1853.

*The People of the State of New York, represented in Senate and Assembly, do enact as follows:*

SEC. 1. Zadock Pratt, John A. Dix, Isaac O. Barker, Jonathan Trotter, Leonard H. Church, Robert T. Haws, Barnabas W. Osborne, Cassius P. Peck, Charles Francis, Darius Ferry, Jonathan Purdy, Jasper Hughes, Edgar T. Ryder, Henry Vandewater, Bryan McCahill, Anthony Arents, Jacob J. Rosenstine, William H. Adams, Julius A. Candee, Samuel Leggett, Joseph Hough, Francis Godine, Henry Leffiman, Daniel Ward, Wilson Small, Isaac V. Fowler, William Miles, Thomas Smull, James Conner,

Monmouth H. Underhill, Jacob M. Vreeland, Thomas J. Barr, Elijah F. Purdy, James Furey, C. V. Anderson, William Adams, William Snedeker, John Griffith, Wm. H. Mackrell, and their successors, shall be, and they are hereby constituted a body corporate and politic, by the name of the "Sixpenny Savings Bank of the Empire City," and by that name shall have perpetual succession, and may sue and be sued in any court whatsoever, and to be located in the Sixth Ward of the City of New York.

SEC. 2. The real estate which it shall be lawful for the said Corporation to purchase, hold and convey, shall be :

1. Such as may be requisite for its immediate accommodation for the convenient transaction of its business.

2. Such as shall have been mortgaged to it in good faith for moneys loaned in pursuance of the provisions of this act.

3. Such as shall have been purchased at sales upon judgments or decrees obtained or rendered for moneys so loaned : and the said Corporation shall not purchase, hold or convey real estate in any other case, or for any other purpose ; and all such real estate as is described in the second and third subdivisions of this section shall be sold by the said Corporation within five years after the same shall be vested in it, by purchase or otherwise ; and the said Corporation shall not, directly or indirectly, deal or trade in buying or selling any goods, wares, or commodities whatever, except in the cases where it is authorized to do so by the terms of this act, and except such personal property as may be requisite for its immediate accommodation for the convenient transaction of its business.

SEC. 3. The trustees of said Corporation shall not, as such, directly or indirectly, receive any payment or emolument for their services.

SEC. 4. The business of the said Corporation shall be managed and directed by the said board of trustees, who shall elect from their number a president, two vice-presidents, and such other officers as they may see fit ; eight of said trustees, of whom the president and one of the vice-presidents shall be one, shall form a quorum for the transaction of business ; and the affirmative vote of at least seven members of the board shall be requisite in making any order for, or authorizing or investment of any moneys, or the sale or transfer of any stock or securities belonging to the Corporation, or the appointment of any officer receiving any salary therefrom.

SEC. 5. The persons named in the first section of this act shall be the first trustees of the said Corporation, and all vacancies by death, resignation or otherwise in the office of trustees, shall be filled by the board by ballot, without unnecessary delay, and at least six votes shall be necessary for the election of any trustee. The said trustees shall hold a regular meeting at least once in each month to receive the reports of their officers as to the business and affairs of the Corporation, and to transact such business as may be necessary ; and any trustee omitting to attend the regular meetings of the board for six months in succession, may thereupon, at the election of said board, be considered as having vacated his place, and a successor may be elected to fill the same. The Superior Court may, at any time, for due cause, remove any trustee, on proper notice to

such trustee, and affording him an opportunity to be heard in his defence.

SEC. 6. The general business and object of the Corporation hereby created, shall be to receive on deposit such sums as may be from time to time offered therefor by mariners, tradesmen, clerks, mechanics, laborers, minors, servants, and others, and investing the same in the securities of stocks of this State, or of the United States, or in the stocks or bonds of any city authorized to be issued by the legislature of this State, or loaning the same on the securities of the said stock or bonds, or on improved real estate worth at least double the amount to be secured thereby, or in such other manner as is authorized by this act, for the use, interest and advantage of the said depositors and their legal representatives; and the Corporation shall receive as deposits from persons of the description above mentioned all sums of money which may be offered for the purpose of being invested, as aforesaid, which shall, as soon as practicable, be invested accordingly, and shall be repaid to such depositor when required, at such times, with such interest, and under such regulations as the board of trustees shall, from time to time, prescribe, which regulations shall be put up in some public and conspicuous place in the rooms where the business of said Corporation shall be transacted; but no by-law or regulation shall be adopted by said trustees whereby any amount exceeding the sum of five cents shall be refused by the Corporation hereby created, when offered as a deposit by any individual; and the regulation so adopted shall not be altered so as to affect any deposit previously made. No president, vice-president, trustee, officer, or servant of said Corporation shall, directly or indirectly, borrow the funds of said Corporation, or its deposits, or in any manner use the same, or any part thereof, except to pay necessary expenses, under the direction of the said board of trustees. All certificates or other evidences of deposit made by the proper officer of such Corporation, shall be as binding upon the Corporation as if they were made under the common seal. It shall be the duty of the trustees of the said Corporation to regulate the rate of interest to be allowed to the depositors, so that they shall receive, as nearly as may be, a ratable proportion of all the profits of said Corporation, after deducting all necessary expenses. Whenever it shall appear that there is an excess of twenty-five thousand dollars in the possession of said Corporation, after the payment of the usual interest to the depositors, that sum shall be invested for the security of the depositors in said Corporation; and thereafter, at each annual examination of the officers of said Corporation, any surplus over and above said sum shall, in addition to the usual interest, be divided ratably among the depositors, in such manner as the board of managers shall direct. In all cases of loans upon real estate, a sufficient bond, or other satisfactory personal security, shall be required of the borrower; and in all expenses of searches, examinations and certificates of title, and of drawing, perfecting and recording papers, shall be paid by such borrower; and it shall be the duty of the trustees of said Corporation to invest, as soon as practicable, in public stocks, or public securities, or in bonds and mortgages, as provided for in this act, all sums received by them beyond an available fund, not exceeding fifty thousand

dollars, which they may keep to meet the current payments of said Corporation, and which may by them be kept on deposit, on interest, or otherwise, in such available form as the trustees may direct.

SEC. 7. The Board of Trustees of the said Corporation shall have power from time to time to make, constitute, ordain and establish such by-laws, rules and regulations as they shall judge proper for the election of their officers, for prescribing their respective functions, and the mode of discharging the same; for the regulation of the times of meeting of the officers and trustees, and generally for transacting, managing and directing the affairs of the Corporation; provided, such by-laws, rules and regulations are not repugnant to this act, to the constitution or laws of this State, or of the United States.

SEC. 8. The subordinate officers and agents of the said Corporation shall respectively give such security for their fidelity and good conduct as the board of trustees may from time to time require, and said board shall fix the salaries of such officers and agents.

SEC. 9. The said Corporation shall, in the month of January, and every year hereafter, make a report to the Legislature of this State, and to the Common Council of the city of New York, of their funds and investments.

SEC. 10. The books of the said Corporation shall at all times, during their hours for business, be open for inspection and examination to the Comptroller of this State, and such other persons as the Legislature or the Comptroller shall designate or appoint as their agent for that purpose. Whenever any agent shall be appointed to make any such examination, he shall be paid for his services by such Corporation, such sum as the Comptroller shall certify to be reasonable and just.

SEC. 11. Whenever any deposit shall be made by any minor, the trustees of said Corporation may, at their discretion, pay to such depositor such sums as may be due to him or her, although no guardian shall have been appointed for such minor, or the guardian of such minor shall not have authorized the drawing of the same; and the check, receipt, or acquittance of such minor shall be as valid as if the same was executed by a guardian of such minor, or the said minor was of full age, if such deposit was made personally by said minor; and whenever any deposit shall have been made by married women, may repay the same on their own receipts.

SEC. 12. The board of trustees shall, also, in the month of January in each year, report to the Legislature and to the Common Council of the city of New York, the aggregate amount of the deposits on hand, with the interest which has accrued thereon, and also the unclaimed deposits on which, at least, the sum of ten dollars shall then be due, and which shall have been deposited by persons who have not within the two years next preceding said report, made a deposit or received a dividend or payment from said Corporation, and shall publish the same in one of the newspapers published in the city of New York. The misnomer of said Corporation in any instrument, shall not vitiate or impair the same, if it be sufficiently described to ascertain the intention of the parties.

SEC. 13. The Supreme Court may, at any time, on the application of

any trustee or depositor in said institution, and on reasonable cause shown therefor to the satisfaction of said court, appoint one or more persons to examine into the investments thereof, and its affairs and business generally; the books, papers and business of said Corporation shall be open and subject to the examination of such person or persons, and the trustees, officers and clerks thereof, or any other person, may be examined on oath, by such person or persons; and the said court may confer such further powers on the person or persons so appointed as they may consider necessary for the more thorough and perfect examination of the affairs and business of said Corporation. The said person or persons so appointed, shall report the result of their investigation to the said court, who, if satisfied thereby, that any officer, trustee or servant of said Corporation has been guilty of any fraud or misconduct, may remove such person or persons, and make further order, and take such further measures for securing the funds and property of said Corporation as the said court shall deem expedient.

SEC. 14. The Corporation hereby created shall be subject to the provisions of the eighteenth chapter of the first part of the Revised Statutes, as far as the same are applicable.

SEC. 15. This act shall take effect immediately.

*State of New York, }*  
*Secretary's Office. }*

I have compared the preceding with an original law on file in this office, and do certify, that the same is a correct transcript therefrom, and of the whole of said original.

[SEAL.] Given under my hand and seal of office, at the City of Albany, the ninth day of June, in the year of our Lord one thousand eight hundred and fifty-three.

HENRY S. RANDALL,

*Secretary of State.*

*By-Laws and Regulations of the Sixpenny Savings Bank of the Empire City, in the City of New York.*

ARTICLE I.—*Name and Location.*—This Savings Bank shall be denominated the "Sixpenny Savings Bank of the Empire City," and shall be under the management of a President, two Vice-Presidents, and such other officers as the Board of Trustees may see fit to appoint, and the Trustees for the time being, and shall be located in the Sixth Ward of the City of New York.

ARTICLE II.—*No pay for services.*—No President, Vice-President or Trustee shall receive, directly or indirectly, any pay or emolument for his services, or be responsible for any loss whatever.

ARTICLE III.—*Deposits.*—Deposits of five cents, or any sum or sums of money allowed by the act incorporating this Savings Bank, may be received, with the consent and approbation of the Attending Committee.

ARTICLE IV.—*When rate of interest is declared, and regulations made.*—The Trustees shall, on the 1st day of February and August in every year, declare the interest to be paid depositors, and announce the regulations of the Corporation, which shall

be put up in some public and conspicuous place in the Bank ; and no interest shall be allowed on a less sum than Three Dollars.

ARTICLE V.—*Interest—how paid.*—No interest shall be paid on any sum withdrawn previous to the first day of February or August, for the period which may have elapsed since the last dividend.

ARTICLE VI.—*Investment of Funds.*—All money deposited in the Bank, except such sums as may be deemed necessary to reserve for immediate purposes, shall be invested and loaned in the manner prescribed by the act incorporating this Bank, or in such other manner as may hereafter be provided by law.

ARTICLE VII.—*Interest not withdrawn.*—All interest not withdrawn shall be added to the principal of the depositor, and shall be entitled to interest, as much as an original deposit.

ARTICLE VIII.—*Deposits—How withdrawn.*—Drafts may be made personally, or by the order in writing of the depositor, (if the Bank have the signature of the party on their signature book,) or by letters of attorney duly authenticated ; but no person shall have the right to demand any part of his principal or interest without producing the original book, that such payments may be entered therein, and ten days' notice must be given to the Secretary when the money is to be withdrawn ; as a matter of indulgence, however, the Secretary may, by consent of the Attending Committee, allow moneys to be withdrawn without such notice, on any day for the reception and payment of deposits ; and no less sum than five dollars of the capital of any depositor shall be withdrawn, unless the whole sum deposited be less than that amount.

All moneys received shall be in specie, or in bills taken in deposit by the Banks of the City of New York ; and all payments shall be made in the same manner.

ARTICLE IX.—*Deposits—How entered.*—All deposits shall be entered in the book of this Corporation, and a duplicate shall be given to each depositor, in which the sum paid by him or her shall be entered ; and which shall be his or her voucher, and the evidence of his or her property in the said Bank.

ARTICLE X.—*Trustees may close accounts.*—The Trustees invest the Attending Committee with power to close the account, or to refuse to receive the deposits of any individual whenever they may deem it expedient.

ARTICLE XI.—*Depositors to subscribe assent to the regulations.*—On making the first deposit, the depositor shall be required to subscribe, and thereby signify his or her assent to the regulations and by-laws of the Bank.

ARTICLE XII.—*Deposits may be returned.*—The Trustees shall be at liberty to return the amount of all, or any part of the deposits, whenever they think proper.

ARTICLE XIII.—*Account when closed.*—All accounts to which no deposit, and on which no draft shall be made for twenty years in succession, shall be closed, that is, neither such deposits, nor the interest which shall have accrued thereon, shall draw any interest after the expiration of twenty years from the time of last deposit or draft.

ARTICLE XIV.—*Notice to Depositors—How published.*—All notices in relation to the deposits or depositors, published by or under the direction of the Trustees, in one or more of the daily public newspapers of the City of New York, six days successively, shall be deemed and taken as actual notice to each depositor.

ARTICLE XV.—*Monthly meetings—Quorum—Extra meetings—How called.*—The monthly meetings of the Board of Trustees shall be on the first Monday of each

- month, at 4 o'clock P. M. Seven of the members, with the President, or one of the Vice-Presidents, shall constitute a quorum. Extra meetings may be called by the President, or in his absence, by one of the Vice-Presidents.

ARTICLE XVI.—*Attending Committee and Duties.*—A monthly Attending Committee of seven Trustees shall be appointed, whose duty shall be to attend at the Bank during the month, when necessary, and have the general superintendence and management of it during the recess of the Board. They shall keep minutes of their proceedings, and lay them before the Board of Trustees at each monthly meeting, noting particularly the amount deposited and drawn out.

ARTICLE XVII.—*Finance Committee and Duties—Checks, how drawn.*—There shall be a Finance Committee of six Trustees elected annually. In case of a vacancy in the Committee, the same shall be filled by the Board of Trustees at its next monthly meeting. The President shall be a member *ex officio*. The Committee shall, under the act incorporating this Bank, decide the mode of loaning or investing its funds, or calling in its loans, or disposing of its investments; and shall, for that purpose, meet as occasion may require. All checks must be drawn by the Secretary, and countersigned by the President, or, in his absence, by one of the Vice-Presidents, and made payable to the order of the person in whose favor the same shall be drawn.

ARTICLE XVIII.—*When yearly statement to be made.*—At the monthly meeting of the Board in January of each year, they shall make a particular statement of their accounts, to exhibit to the Legislature of this State, and to the Corporation of this city; at which time the annual election for officers must be held.

ARTICLE XIX.—*When open for business.*—The bank shall be open for the transaction of business, on Mondays, Thursdays and Saturdays of each week, from 5 to 8 o'clock, P. M.

ARTICLE XX.—*What officers to be appointed.*—The Trustees shall appoint a Secretary, and such other officers as they may deem necessary, to be employed in the bank.

ARTICLE XXI.—*Duty of Secretary.*—It shall be the duty of the Secretary to notify the trustees and committees of all meetings required to be held, and to be present and keep the minutes of such meetings. He shall collect the interest on loans, and all debts due the bank; he shall see that the books of the bank and accounts are properly and correctly kept; and he shall deposit daily, to the credit of the Sixpenny Savings Bank of the Empire City, in the City of New York, all moneys received by him for or on account of the said Savings Bank, and submit the bank account and balance in bank to the Attending Committee, whenever required; also submit in writing, weekly, to the Chairman of the Finance Committee, the state of the funds and balance in bank. The books of the Secretary shall be open at all times for the inspection of the President, or any member of the Board of Trustees; and he shall submit to the President a report of the proceedings of the monthly committees, together with a statement of the affairs of the bank, prior to each monthly meeting of the board. He shall receive all applications, and submit them to the appropriate committees; and shall generally perform such other duties as the Board of Trustees shall, by resolution, require.

ARTICLE XXII.—*Decease of Depositors.*—On the decease of any depositor, the amount standing to the credit of the deceased shall be paid to his or her legal representatives, on the presentation of the proper papers, showing the authority to receive such deposits.

ARTICLE XXIII.—*Rate of Interest to be fixed.*—The Board of Trustees shall, at the monthly meetings in January and July of each year, fix the rate of interest to be allowed depositors for the six months, to commence on the first days of February and August then next.

ARTICLE XXIV.—*Terms of office of Officers—Oath to be taken.*—The Secretary and such other officers as may be required for the transaction of the business of the bank, shall hold their respective offices during the pleasure of the Board of Trustees, and receive such annual compensation as they may direct. Before entering on the duties of their office respectively, they shall take and subscribe the following oath or affirmation: "I do solemnly swear (or affirm) that I will, to the best of my abilities, perform all such duties and services as shall be given me in charge, by virtue of my appointment to the office of \_\_\_\_\_ of the Sixpenny Savings Bank of the Empire City, and that I will faithfully apply and protect the funds and property of the bank, and account for the same under the control of the President or Board of Trustees.

ARTICLE XXV.—*Bond to be executed by Secretary and Clerks.*—The Secretary and Clerks shall execute a bond, with two good and sufficient sureties, to be approved by the Board of Trustees, in the penal sum of five thousand dollars, conditioned for the faithful performance of their trust.

ARTICLE XXVI.—*Duties of President.*—The President shall have charge of the common seal, also of all bonds and mortgages, and other property of the bank. All satisfaction of bonds and mortgages shall be signed by him, and countersigned by the Secretary.

ARTICLE XXVII.—*Duties of Clerks.*—It shall be the duty of the clerks to attend daily at the bank, and generally attend to the interest of the same, under the direction of the officers, and during as many hours thereof as may be found necessary.

ARTICLE XXVIII.—*Seats vacated.*—If any trustee shall fail to attend the meetings of the board or to perform the duties devolving on him as a member of the Attending Committee, for the term of six successive months, he shall be considered as having vacated his seat.

ARTICLE XXIX.—*Alteration of By-laws.*—Any proposed alterations or amendments to these By-laws, must be submitted to the Board of Trustees at least one meeting before the same are passed upon. Nor shall they be acted upon unless at a meeting, when a majority of the whole number of trustees are present.

Adopted by the Board of Trustees on the twenty-seventh day of June, one thousand eight hundred and fifty-three.

FIRST REPORT OF THE "SIXPENNY SAVINGS BANK OF THE EMPIRE CITY,"  
IN THE CITY OF NEW YORK.

*To the honorable the Legislature of the State of New York, and the honorable the Mayor, Aldermen and Commonalty of the City of New York.*

In accordance with the provisions of an act entitled "An act to incorporate the Sixpenny Savings Bank of the Empire City," the Trustees beg leave to present their first report, as follows, viz.:

FIRST.—That the Trustees have received during that portion of the year remaining unexpired, from the commencement of the institution, from six thousand two hundred



and thirty-six deposits, the sum of fifty thousand one hundred and thirty-nine dollars and seventy-nine cents, in the following order :

In the month of July,	from	811 deposits,	.....	\$5,775 91
" " August,	"	1,272	" .....	9,625 10
" " September,	"	1,074	" .....	5,571 80
" " October,	"	967	" .....	8,222 40
" " November,	"	984	" .....	9,723 68
" " December,	"	1,128	" .....	11,220 90
				6,236
				\$50,139 79

SECOND.—That the sum of eight thousand six hundred and twenty-one dollars and thirty-two cents has been paid to four hundred depositors. (Of this number, 148 closed their accounts.)

In the month of July,	paid	10 drafts,	.....	\$543 45
" " August,	"	35	" .....	268 59
" " September,	"	71	" .....	1,517 20
" " October,	"	83	" .....	1,311 79
" " November,	"	74	" .....	2,893 26
" " December,	"	127	" .....	2,087 03
				400
				\$8,621 32

THIRD.—The depositors in all, to date, numbering two thousand one hundred and fourteen, of which about two hundred are minors. The remaining three hundred, or thereabouts, adults.

FOURTH.—The deposits have been made in the following sums, viz., varying from (5) five cents up to nine hundred dollars. Total number of deposits, 6,236.

FIFTH.—The funds of the institution on the first of January, 1854 :

Amount received from depositors,	.....	\$50,139 79
Deduct amount paid depositors,	.....	\$8,621 32
Expenses paid,	.....	456 82
		9,078 14
Total assets,	.....	\$41,061 65
Consisting of cash on deposit and interest, in the Empire City, Citizens', and Ocean Banks,	.....	\$41,061 65

By order of the board.

ELIJAH F. PURDY, *President and Treasurer.*

JAMES S. SLOAN, *Secretary.*

*Sixpenny Savings Bank of the Empire City, }*  
*January 3d, 1854.*

Since the preceding report was made to the legislature, the business of the bank has still further increased. Up to the 10th of February, the aggregate deposits made since the commencement of operations, (July 10, 1853,) seven months, was about \$72,000, and the amount on hand about \$58,000, belonging to 2,800 depositors.

## FINANCIAL AND COMMERCIAL REVIEW OF THE YEAR 1853.

1. *Manufacturing Industry.* 2. *Agricultural Products.* 3. *Foreign Staples.* 4. *The United States Markets.* 5. *Consols for each month of 1853, with the stock of Bullion and Note Circulation of Bank of England.* 6. *Comparison of Prices of Foreign Securities in the London market at the end of 1852 and 1853.* 7. *Highest and lowest prices of Foreign Loans for the year 1853.* 8. *Imports into, and Exports of Gold and Silver from, Great Britain, in each month of 1853.* 9. *Rail-Road Shares in Great Britain—fluctuations for 1853.* 10. *Iron and Steel Trade of Great Britain—comparative exports from 1846-1853.* 11. *Commercial and Industrial Retrospect for 1853.*

I. *Progress* has marked the past year in various quarters of the world. We shall perhaps find, by a rigid scrutiny in, and comparison of, prices, that the advance during the past year in the market values of articles of consumption, and in property, has been greater than in any one year of which we have any record. This remark will apply especially in New York, and with some force to all portions of the United States. Great strides (unfortunately, the consumer will say, but *fortunately*, in the view of the political economist) are perceptible in the value of building materials, whether for ships, for houses, for rail-roads, for manufacturing concerns. Ship timber is more valuable, and some say down east that it is *scarce*; but it is scarce merely because there is a lack of the means of transportation between the sea coast and the millions of acres of timber lands in the Aroostook and St. Lawrence regions, and other parts of Maine and Canada.

The great and important article of *iron*, the true metallic basis of wealth, has advanced in England from ten to twenty-five per cent. Hides, twenty per cent. Leather, ten to twenty per cent.

The English market exhibits the following comparative prices of articles used in manufacturing industry, at the close of 1852, and in the third week of December, 1853:

	1852.				1853.			
	s.	d.			s.	d.		
Cotton, . . . . . per lb.	0	8½	to	0	7½	0	2½	to 0 8
Wool, Australia, . . . . . "	1	2	to	2	8	1	0	to 2 2
" Cape, . . . . . "	1	0	to	1	9	0	10	to 1 5
Hides, East Indies, . . . . . "	0	4	to	0	9½	0	4½	to 0 10
" N. S. Wales, . . . . . "	0	8	to	0	8½	0	8½	to 0 4
" Buenos Ayres, . . . . . "	0	8½	to	0	4½	0	4½	to 0 5½
Silk, Bengal, . . . . . "	10	0	to	17	6	11	0	to 20 0
" China, . . . . . "	9	6	to	19	6	10	6	to 19 6
" Other sorts, . . . . . "	11	0	to	25	0	12	0	to 23 0
Metals, iron bars, . . . . . per ton, £	9	0	to	£11	5	£9	17	to £10 5
" Pig, . . . . . "	4	15	to	5	0	6	10	to 7 0
" Rail, . . . . . "	9	5	to	9	10	8	10	to 13 10
" Copper, best selected, "	5	2	to	5	5	6	6	to 7 15
" Lead, English, . . . . . "	21	0	to	26	10	23	15	to 28 10
Leather, Eng. butts and cups, per lb.	0	9½	to	1	9	1	0	to 1 10
" Calfskins, . . . . . "	1	0	to	1	6	1	1	to 2 0

II. The changes are still greater in the prominent articles of domestic consumption, as will be seen in the comparative prices of provisions at the close of 1852, and in the third week of December, 1853:

		1852.		1853.	
		s. d.	s. d.	s. d.	s. d.
Wheat, English, per qr., . . .		44 0	to 60 0	64 0	to 80 0
Oats, " " . . .		17 0	to 25 0	25 0	to 31 0
Barley, " " . . .		26 0	to 35 0	36 0	to 44 0
Flour, " per sk. . . .		30 0	to 40 0	53 0	to 70 1
Bread, 4lb. loaf, . . . .		0 5	to 0 8	0 8	to 0 11½
Potatoes, per ton, . . . .		60 0	to 140 0	100 0	to 140 0
Beef, per st. 8lb. . . . .		3 0	to 4 2	3 4	to 4 8
Mutton, " . . . .		3 8	to 4 8	3 10	to 5 4
Pork, " . . . .		3 2	to 4 6	3 8	to 4 4
Butter, per cwt. . . . .		80 0	to 102 0	84 0	to 116 0
Cheese, " . . . .		40 0	to 74 0	40 0	to 84 0
Ham, " . . . .		59 0	to 84 0	52 0	to 86 0
Bacon, " . . . .		43 0	to 54 0	56 0	to 64 0
Lard, " . . . .		53 0	to 72 0	62 0	to 78 0
Tallow, " . . . .		40 0	to 46 0	46 0	to 57 0

III. Sugar is one of the few articles that droop, and promises a further decline. The crop in the United States in 1853-4 will be very productive. Coffee undergoes but little change, while rice, rum and indigo are more highly valued. The reduced duties on tea in England has increased the consumption, and advanced the price 20 to 25 per cent.

		1852.		1853.	
		s. d.	s. d.	s. d.	s. d.
Sugar—West India, per cwt. . . .		31 6	to 41 6	30 0	to 40 0
" East India, " . . . .		26 0	to 45 0	27 6	to 45 0
" Mauritius, " . . . .		26 0	to 41 0	27 6	to 41 0
" Foreign, " . . . .		29 0	to 43 0	36 0	to 41 0
Coffee—West India, " . . . .		88 0	to 96 0	42 0	to 98 0
" Ceylon, Plantation, per cwt. . .		47 0	to 80 0	48 0	to 80 0
" Ceylon, Native, " . . . .		46 0	to 47 0	47 6	to 48 6
" Ceylon, Foreign, " . . . .		83 0	to 100 0	35 0	to 80 0
Tea—Congou, per lb. . . . .		0 9	to 2 1	1 1	to 2 6
" Souchong, " . . . .		0 10½	to 1 10	1 4	to 2 9
" Hyson, " . . . .		1 4	to 3 6	1 7	to 3 6
" Gunpowder, " . . . .		0 8	to 3 9	1 8	to 4 8
Rice—East India, per cwt. . . .		8 0	to 15 0	11 6	to 20 0
" Carolina, " . . . .		24 0	to 32 0	25 0	to 27 0
Rum—East India, per gallon, . .		1 10	to 0 0	2 7	to 0 0
" West India, " . . . .		1 11	to 4 6	2 7	to 5 0
Indigo—East India, per lb. . . .		3 9	to 7 5	4 0	to 8 0
" Foreign, " . . . .		1 1	to 6 0	1 6	to 7 0

In the single article of *tea*, imported into Great Britain, the quantity has increased from 54,000,000 lbs., in 1847, to 66,000,000 lbs. in the year 1853.

IV. This advance in staple articles is not peculiar to England. An equal rise is no doubt perceptible throughout the continent, and is likewise confirmed in the United States. To show this, we annex the market values in the Western Cities, in the article of tobacco, hemp, lead, flour, butter, cheese, hides and Turk's Island salt, during the years 1851, 1852 and 1853.

The advance in prices now stated is likely to be maintained. Flour has since advanced to \$10 and \$11 per bbl., in New York city, and there is a prospective demand, for Europe, for all the wheat, flour, tobacco, &c., that can be produced.

	1851.		1852.		1853.	
Tobacco, common, per lb., .	\$1 50	a \$2 00	\$2 25	a \$2 85	\$3 50	a \$5 00
"    fine, " . . . .	4 50	a 5 00	4 75	a 5 50	6 00	a 8 00
Hemp, per ton, . . . .	85 00	a 88 00	100 00	a 105 00	120 00	a 128 00
Lead, per cwt., . . . .	4 20	a 4 25	5 40	a 5 50	6 30	a 6 35
Flour, superfine, per bbl., .	3 65	a 3 75	4 40	a 4 50	5 75	a 5 80
Butter, per lb., . . . .	12	a 18	16	a 18	18	a 22
Cheese, " . . . .	7½	a 7½	9½	a 10	10	a 10½
Hides, dried, per lb., . . .	7½	a 8	8½	a 9	12½	a 12½
"    green, " . . . .	8½	a 8½	4	a 4½	5½	a 5½
Turk's Island salt, per sack, .	60	a 65	1 05	a 1 10	2 50	a 2 65

V. The largest capital and means demanded for articles of necessity, added to the existing war in Europe, have unfavorably and severely affected money operations. Stocks and bonds are depreciated in the United States and Europe. We have before given the tables of fluctuations at New York; we now give the general results, as exhibited in England, between values in December, 1852, and December, 1853. As English three per cent. Consols are generally considered the index of the market, we quote them, showing a fall of 5 per cent. in twelve months. The subjoined table shows the highest and lowest price of Consols during each month of the year, and the largest amount of bullion held by the Bank of England, together with the largest amount of its note circulation in each month:

Consols.			Bank of England.	
Month of	Highest Price.	Lowest Price.	Stock of Bullion in week ending	Note Circulation, not including Seven day Bills, on week ending
Jan.,	100½	99	Jan. 1, \$20,527,662	Jan. 15, \$28,661,870
Feb.,	99½	99	Feb. 5, 18,700,812	Feb. 5, 22,695,410
March,	100½	99	March, 19, 19,168,146	March 5, 22,275,870
April,	101	99½	April 9, 19,226,334	April 16, 23,618,165
May,	100½	100	May 7, 18,225,221	May 7, 23,469,845
June,	99	97½	June 25, 18,665,239	June 4, 23,423,435
July,	98½	97½	July 2, 18,558,905	July 16, 23,883,060
August,	98½	96½	August 6, 17,484,560	August 6, 23,522,795
Sept.,	97½	90½	Sept. 8, 16,500,068	Sept. 8, 22,465,945
Oct.,	94½	90½	Oct. 8, 15,749,089	Oct. 15, 23,667,885
Nov.,	96	92½	Nov. 12, 15,856,118	Nov. 5, 22,627,445
Dec.,	95½ x.d.	93½ x.d.	Dec. 24, 15,819,641	Dec. 3, 21,205,800

The subjoined table exhibits the value of the leading English securities at the close of the years 1852 and 1853:

Name of Security.	Price, Dec. 31, 1852.	Price, Dec. 30, 1853.	Difference at close of 1853.
Consols, . . . . .	100½ to 100½	93½ to 93½	Fall, 6½ per ct.
Reduced Three per Cents, .	101½ to 101½	94 to 94½	" 7½ "
New Three and a Quarter do.,	104½ to 104½	95½ to 95½	" 9½ "
Exchequer Bill, . . . .	69s. to 72s. pm.	5s. to 8s. pm.	" 64s. "
Bank Stock, . . . . .	223 to 225	217 to 219	" 6 "
India Bonds, . . . . .	80s. to 83s. pm.	par to 8s. pm.	" 50s. "

VI. It must be borne in mind, however, that 90½, the lowest price touched in 1853, is not a very low figure. In the year 1847 they declined to 78½, and in 1848 to 80, when no unfavorable features existed in the market except the scarcity of grain in England, and the potato disease in Ireland. The fall in Consols in 1853 was cotemporaneous

with a greater decline in the market values of foreign securities in the London market. The following table is a comparison of the prices of the various foreign securities at the close of 1852 and 1853:

<i>Per Cent.</i>	<i>Price on Dec. 8, 1852.</i>	<i>Price on Dec. 30, 1853.</i>	<i>Difference at close of 1853.</i>
			<i>Per Cent.</i>
Belgian 4½,	99 to 99	95 to 97	Fall, 3
Brazilian 5,	109 to 108	98 to 100	" 4
Buenos Ayres 6,	78 to 75	63 to 65	" 10
Chilian 6,	106 to 108	101 to 108	" 5
Danish 8,	85 to 87	88 to 85	" 2
Danish 5,	106 to 108	109 to 104	" 4
Dutch 2½,	68 to 69	64 to 65	" 4
Dutch 4,	96½ to 99½	96 to 97	" 2½
Equador,	5½ to 5½	4½ to 5½	" ½
Grenada 1½,	22 to 23	21 to 22	" 1
Grenada Deferred,	18½ to 18½	7½ to 8	" 5½
Mexican 8,	28½ to 28½	23½ to 24½	Rise, ½
Peruvian 4½,	108 to 105	68 to 70	Fall, 25
Peruvian Deferred,	68 to 65	48 to 50	" 15
Portuguese 4,	40 to 41	42 to 44	Rise, 2
Russian 5,	121 to 122	111 to 118	Fall, 10
Russian 4½,	106 to 107	97 to 99	" 9
Sardinia 5,	95 to 96	90 to 92	" 5
Spanish 8,	50½ to 51½	46½ to 46½	" 4½
Spanish Deferred,	24 to 24½	21½ to 22	" 2½
Venezuela 8½,	42 to ..	30 to 32	" 12
Venezuela Deferred,	16 to 18	12 to 14	" 4

A slight rise is perceptible in Portuguese funds and in Mexican; in all others the decline is a marked one. These fluctuations, disastrous as they were and are to the capitalist, are cotemporary with the most remarkable advance that has ever taken place in any one year in the foreign trade of Great Britain. The exports of that country have enlarged from £49,000,000, in the year 1848, to about £85,000,000 sterling in 1853, showing an increase of more than 20 per cent. as compared with 1852.

VII. The following table shows the highest and lowest prices in the London market, during the year, in Foreign securities:

	<i>Highest Price.</i>	<i>Lowest Price.</i>	<i>Difference.</i>
Brazilian Five per Cents,	Jan., 108	Dec., 97	6 per cent.
Buenos Ayres Six per Cents,	" 75	Oct., 55	20 "
Chilian Six per Cents,	" 108	Dec., 101	7 "
Danish Five per Cents,	" 108	" 102	6 "
Dutch Two and a Half per Cents,	" 67½	July, 69	5½ "
Do. Four per Cents,	" 99½	Dec., 95	4½ "
Mexican Three per Cents,	Feb., 22½	April, 28½	5½ "
Peruvian Deferred,	April, 68	Dec., 58	10 "
Portuguese Four per Cents,	Feb., 87½	Aug., 46	8½ "
Russian Five per Cents,	Jan., 123	Dec., 111	11 "
Do. Four and a Half per Cents,	" 105	Oct., 96	9 "
Sardinia Five per Cents,	May, 98½	Dec., 88	10½ "
Spanish Three per Cents,	Jan., 49½	" 46	3½ "
Do. Deferred,	April, 25	" 22	3 "
Venezuela Three and a Half per Cents,	" 48	" 30	18 "

The enormous importation of gold and silver into Great Britain during the year 1853, indicates the vast supplies that may be anticipated for coming years. The imports are shown to be £20,325,000 sterling, and the exports, £12,492,508, during the year 1852; while for the past year (1853) the imports were £26,151,300, and exports £19,714,000, showing a resulting increase, for the two years, of £14,269,792, or over seventy millions of dollars.

*Imports of Gold and Silver for each month of 1853.*

<i>Month of</i>	<i>From Australia.</i>	<i>From other places.</i>	<i>Total amount.</i>
January, . . . . .	£1,572,092	£367,908	£2,440,000
February, . . . . .	580,540	864,760	895,800
March, . . . . .	2,094,096	885,904	2,980,000
April, . . . . .	1,842,188	487,862	2,330,000
May, . . . . .	625,182	1,081,868	1,707,000
June, . . . . .	1,352,928	1,167,072	2,520,000
July, . . . . .	1,357,582	857,468	2,215,000
August, . . . . .	1,456,000	728,000	2,184,000
September, . . . . .	1,297,684	1,002,316	2,300,000
October, . . . . .	1,065,288	1,209,767	2,275,000
November, . . . . .	295,400	1,269,600	1,565,000
December, . . . . .	1,483,968	1,256,032	2,740,000
Total for the year 1853, . . . .	£14,972,748	£11,178,557	£26,151,300

*Exports for 1853.*

The exports of the precious metals during the same period, so far as they can be ascertained, have been as follows :

<i>Month of</i>	<i>To Australia.</i>	<i>To other places.</i>	<i>Total Amount.</i>
January, . . . . .	£1,128,901	£1,882,099	£3,000,000
February, . . . . .	954,600	1,090,400	2,045,000
March, . . . . .	615,570	629,430	1,245,000
April, . . . . .	992,717	1,156,283	2,149,000
May, . . . . .	221,188	984,812	1,156,000
June, . . . . .	176,098	775,902	952,000
July, . . . . .	12,600	771,400	784,000
August, . . . . .	24,486	816,514	841,000
September, . . . . .	4,200	2,497,800	2,502,000
October, . . . . .	500	1,338,500	1,339,000
November, . . . . .	7,242	2,157,757	2,165,000
December, . . . . .	800	1,529,700	1,530,000
Total for the year 1853, . . . .	£4,183,898	£15,580,602	£19,714,000

*Recapitulation for 1853.*

	<i>Importations.</i>	<i>Exports.</i>
First quarter, . . . . .	£6,815,800	£6,296,000
Second " . . . . .	6,537,000	4,257,000
Third " . . . . .	6,699,000	4,127,000
Fourth " . . . . .	6,580,000	5,084,000
	£26,151,300	£19,714,000
For the year 1853, . . . . .	26,151,300	19,492,508

IX. The greatest decline in stocks for the year 1853, is, however, seen in railway shares. Here we see a fall of 18 to 28 per cent. in the quotations of shares, of whose solidity and *paying* qualities there is no question. The London and Northwestern Road, for instance, with a line of 553 miles, received in one week in December upwards of £48,000 sterling, and their ordinary receipts are about one million of dollars in amount, per month, and they paid a dividend of 5 per cent. in 1853. The highest and lowest prices during the year of the leading railway shares, have been as follows :

<i>Name of Share.</i>	<i>Highest price.</i>	<i>Lowest price.</i>	<i>Difference per share.</i>
Caledonian, . . . . .	May. 71	Sept. 45½	£25 5 0
Great Northern, . . . . .	May. 90½	Sept. 69½	22 5 0
Great Western, . . . . .	Jan. 95½	Sept. 77½	18 7 6
Lancashire and Yorkshire, . . . . .	Jan. 85½	Sept. 60	25 2 6
London and Brighton, . . . . .	Jan. 109	Sept. 92	17 0 0
London and Northwestern, . . . . .	Jan. 126½	Sept. 98	28 10 0
London and Southwestern, . . . . .	Jan. 98	Nov. 79	21 0 0
Midland, . . . . .	Jan. 81	Sept. 54	27 0 0
Southeastern, . . . . .	Jan. 85½	Sept. 55½	30 5 0
York and Newcastle, . . . . .	Jan. 74	Sept. 56	18 0 0
York and North Midland, . . . . .	May. 65	Sept. 41	24 0 0

The subjoined table is a comparison of the closing prices of the leading English railway shares at the closing of the years 1852 and 1853 :

	<i>Dec'r 31, 1852. Closing price.</i>	<i>Dec'r 30, 1853. Closing price.</i>	<i>Difference per share in 1853.</i>
Aberdeen, . . . . .	81½ to 82	20½ to 21½	Fall, £11
Bristol and Exeter, . . . . .	106 to 108	93 to 100	" 8
Caledonian, . . . . .	67 to 67½	54½ to 55½	" 12 5s.
Edinburgh and Glasgow, . . . . .	78 to 80	68 to 65	" 15
Great S. and W. of Ireland, . . . . .	105 to 107	104 to 106	" 1
Great Northern, . . . . .	81½ to 82½	84½ to 85½	Rise, 3
Great Western, . . . . .	95½ to 95½	83½ to 83½	Fall, 12
Lancaster and Carlisle, . . . . .	88 to 90	98 to 98	Rise, 5
Lancashire and Yorkshire, . . . . .	84½ to 85½	66½ to 67	Fall, 17 5s.
London and Brighton, . . . . .	107½ to 108½	98½ to 99½	" 9
London and Northwestern, . . . . .	125½ to 126½	108½ to 104½	" 21 15s.
London and Southwestern, . . . . .	91½ to 92½	77 to 78	" 14 10s.
Midland, . . . . .	80 to 80½	62½ to 68½	" 17 5s.
Norfolk, . . . . .	54 to 56	48 to 50	" 6
Oxford and Worcester, . . . . .	51 to 53	36½ to 37½	" 14 10s.
Scottish Central, . . . . .	94 to 96	91 to 98	" 3
York and Newcastle, . . . . .	72½ to 73½	64 to 65	" 8 10s.
York and North Midland, . . . . .	59½ to 60½	47 to 48	" 12 10s.

NOTE.—The whole of the above quotations are as for stock; that is, as for £100 of the capital stock of the several lines. There has been, therefore, no variation in what is known as the material element of "amount paid up." The same remark applies to the table of foreign securities.

X. The manufactures of iron and steel have become very important in the foreign trade of Great Britain, as will be seen by the annexed table of exports :

<i>Years.</i>	<i>Val. of exports.</i>	<i>Val. of iron and steel.</i>	<i>Pro. to Bea.</i>
1814, . . . . .	£43,447,000	£1,773,000	4.06
1821, . . . . .	85,826,000	2,900,000	8.01
1831, . . . . .	37,102,000	3,514,000	9.46
1841, . . . . .	51,684,000	5,052,000	9.73
1850, . . . . .	71,867,000	9,083,000	12.65
Ten months ending Nov. 5, 1853, . . . . .	73,155,000	12,795,000	18.85

In 1825, the United Kingdom exported as follows :

Iron and steel, wrought and unwrought, . . . . .	£1,048,000
Hardware and cutlery, . . . . .	1,292,000
Machinery and mill works, . . . . .	312,000
Total, . . . . .	£2,652,000

The increase since that period, may be inferred from the following figures, which allude to the ten months ending Nov. 5, 1853 :

Iron and steel, wrought and unwrought, . . . . .	£9,281,000
Hardware and cutlery, . . . . .	2,290,000
Machinery and mill works, . . . . .	1,574,000
Total, . . . . .	£12,795,000

<i>Year.</i>	<i>Total declared value of exports of domestic produce.</i>	<i>Monthly average.</i>
1846, . . . . .	£51,227,060	£4,268,921
1847, . . . . .	50,597,790	4,211,483
1848, . . . . .	48,946,825	4,078,860
1849, . . . . .	58,848,043	4,904,003
1850, . . . . .	65,756,082	5,479,669
1851, . . . . .	63,581,601	5,710,966
1852, . . . . .	71,429,548	5,954,462
1853, ten months only, . . . . .	73,155,755	7,315,575

This marked activity has been accompanied by an export of bullion to the extent of £15,580,602 to the Continent and to the East, and £4,133,398 to Australia in coin, making an aggregate of £19,714,000.

At the same time, the importations of gold from Australia were £14,972,743, and from other sources £11,178,557, resulting in an increase of £6,437,000, to the total held in Great Britain.

#### COMMERCIAL AND INDUSTRIAL RETROSPECT FOR THE YEAR 1853.

*From the (London) Morning Chronicle.*

Rarely has a year exhibited so many features of commercial interest as that which has just closed. Other years have displayed exciting conditions of commerce—some of great prosperity, and some of serious disaster—but none has presented more rapid and remarkable changes



than 1853; and the mutations and shiftings in our position and prospects in these respects have been so interesting and important as to deserve thoughtful study. Vicissitude has been the leading characteristic of the past year. Alternations of cloud and sunshine have affected, more or less, all our industrial interests. The year opened with prospects calculated to create a belief that commercial speculation of every kind would be rewarded with golden returns. No former period can be remembered when the indications of an active commerce were of the same encouraging character. The discovery of gold in Australia, and the immense arrivals of the metal, created a very general belief that money would be abundant for commercial purposes in the months to come. The Australian trade itself appeared to offer a vast and profitable opening for mercantile speculation; and the glowing accounts of the successes of the diggers led to the general belief that a vast emigration would operate to relieve the labor market, and diminish the poor rates. In all these respects events have not realized our expectations. It was a surprise to the commercial world that, so early as the 6th of January, when the public mind was filled with expectations of large supplies of gold, the directors of the Bank of England should have found it necessary to raise the minimum rate of discount from 2 to 2½ per cent. The fact came out that, although vast amounts of gold had been received from Australia, the bullion reserves of that establishment had suffered a diminution of £3,000,000 in about four weeks. The public, however, comforted themselves with the belief that this was a transient matter, and would pass away in so many weeks. But it was not so, and we have experienced a year of advancing rates of interest, accompanied by some amount of monetary pressure. Mercantile enterprise has largely engaged in the Australian trade, with various success; but its present result is a glut of goods. Australian emigration, which, in the early months of spring, promised to carry away most of the young, enterprising and unemployed part of our population, suddenly received a check in the summer; and after the month of July, comparatively few passages were inquired for by intending emigrants. The commercial occurrences of the whole year have been marked by singular vicissitude. High hopes and great expectations have experienced disappointment. In the rapid glance which our space will alone allow, of the commercial transactions of the past year, all the occurrences will be seen to partake of the character of uncertainty.

In reviewing the commercial and monetary occurrences of the past year, the operations of the Bank of England must necessarily form the leading topic. Having recently, however, in two separate articles of some length, traced with minuteness the monetary part of the inquiry, it will not be necessary, in this place, to trouble ourselves with a close and critical scrutiny in order to place the subject before our readers. As we have already noticed, the commencement of the successive augmentations in the rate of discount which have marked the last twelve months, was on the 6th of January, when the stock of bullion had within a month suffered a diminution of no less than three millions sterling. This seemed to supply a justification of some timely step which should give warning

to the public. There were not wanting, however, parties who asserted that this proceeding was rashly adopted; the belief being general that a sort of inundation of the precious metals would certainly result from the Australian gold discoveries. But the drain continued: if large gold arrivals took place, re-shipments speedily followed, and no permanent addition was made to the bank bullion reserves. But concurrently with the drain of bullion, there was also an increased demand for money; and the minimum rate of discount having for some time previously been as low as 2 per cent., it was not long before the bank movement met with general approval. The operation of increasing the minimum rate of discount was continued at intervals during several successive months. The following are the changes which in this respect have taken place throughout the past year and three previous years:

*Minimum rates of Discount.*

1849, Nov. 22,.....	2½ per cent.	1853, Jan. 20,.....	3 per cent.
1850, Dec. 26,.....	3 "	" June 2,.....	3½ "
1852, Jan. 1,.....	2½ "	" Sept. 1,.....	4 "
" April 22,.....	2 "	" Sept. 15,.....	4½ "
1853, Jan. 6,.....	2½ "	" Sept. 29,.....	5 "

Two circumstances deserve attention in discussing the necessity and policy of the course adopted by the bank, in thus, from time to time, increasing the charge for discount accommodation to the public. In the first place, each successive increase was speedily followed by an improved demand for money "out of doors." The demand for discount accommodation at the bank itself, became greater, and the *item* "other securities," in the bank account, continued to augment. Secondly, to the surprise of the public, Australian gold failed to arrive in quantities sufficient to increase permanently the bank bullion reserves. Accordingly, notwithstanding an active demand for money, a high rate of interest, a large increase in the private securities held by the bank, and a gradual and considerable decrease in the amount of its banking reserve, uneasiness and apprehension began to be entertained towards the end of the summer of a serious commercial disaster—in fact, of a panic.

The stock of gold coin and bullion held by the bank on the 3d of December, 1853, was £15,092,567, against £21,808,332, on the 4th of December, 1852.

It is creditable to the commercial community, that in these operations, so seriously affecting important business transactions, and the value of property and produce, the policy of the bank retained their entire confidence. The necessity for the course adopted was generally admitted; and the inconveniences of the monetary pressure were cheerfully met, although for a time they created much apprehension. The difficulty is, for the present, at least, abated. What are its consequences?

We have seen that, in the short period of twelve months, the minimum rate of discount shot up from two to five per cent.; but we have had no failures. We have had a "crisis" without disaster; and looking at the magnitude of our commercial transactions, it is remarkable that such a

period could be passed through with no visible damage to credit. The commercial world may therefore congratulate itself upon the apparent soundness of its speculations, as exhibited in its ability to ride over such difficulties. Speculation has received a useful check at a time when it was greatly needed. It has happened lately, that in several directions, our foreign trade presented threatening aspects. Monetary and commercial affairs in America have not been in a satisfactory state. Something like a glut of goods exists in Australia. In China, commercial transactions are deranged by civil war. The war between Russia and Turkey may extensively affect commerce in all the markets of Europe. If, in such circumstances, the money pressure has had the effect of checking speculation for a time, it has probably saved us from losses.

In the course of the past year a very general rise in prices has taken place. This rise has not affected any one particular market, but has been observable in nearly all, especially the provision markets. A glance at our table, exhibiting the fluctuations in the value of commodities, will show remarkable changes, well deserving attention.

The "wages movement," which commenced in the early part of the year, and is still in progress, will long be remembered as among the most important occurrences of the past twelve months. It presents some features which we can look upon with satisfaction, but many others which give rise to painful feelings. In its earliest stage, it was a natural and justifiable effort of the working classes to obtain improved rates of payment for their services, in consequence of the greater demand for labor, which had been created by an active state of trade and industry. Laborers employed in agriculture had pretty generally obtained a small increase in their wages, some time before the workmen in towns put themselves in motion for a similar object. It is a curious and instructive fact, that the repeal of the corn laws should so soon have conferred upon agriculture the double benefit of increasing the quantity of produce, so as to repay the outlay of the farmer, and of giving increased employment to the laborer, to such an extent, indeed, as to render an advance of wages necessary to secure his services. Not only have farm laborers in most districts of the country obtained improved wages, but the welfare of the laborer is now more cared for, and work is more constant. Again, in country towns, operatives and laborers employed in useful trades, such as carpenters, bricklayers, masons, shoemakers, &c., have very generally succeeded in obtaining increased wages to the extent of 2s. or 3s. a week; but when it is borne in mind that these classes in the provinces have always hitherto received a much lower rate of payment than their brethren in the metropolis and in other large towns, this natural "wages movement," as in the case of farm laborers, may be regarded without dissatisfaction. It is merely an approximation of wages in country districts to the town standard; and on this account, as well as in consequence of the permanently improved condition of the country, it seems very probable that these useful classes of workmen will retain the advantages they have acquired, and which, it is to be hoped, will contribute to make happy homes in country cottages.

The combinations, "strikes," and "locks out," which occurred later in the year, suggest only painful reflections. In the manufacturing districts, in almost every extensive branch of industry, combinations have taken place, and large associations have been seen employing all the bad machinery of trade societies to intimidate employers into compliance with extravagant demands for advances of wages, and also for a diminution of the hours of labor. These "turns out" and "strikes" have been successful in too many cases; but frequently their success has been little better than a kind of temporary extortion, the strike being directed only against one or two large firms at one time, who have succumbed to this discreditable tyranny, simply to avoid the loss and disturbance which would result from a suspension of business in an active state of trade. During the last half of the past year, the strikes have obstructed business to a most serious extent; and, strange to say, in the face of the decline in manufacturing industry which has lately taken place, the operatives are still, to some extent, governed by the delusion that arbitrary associations of workmen can fix rates of wages, without reference to the demand for goods and the state of trade. The loss which has been occasioned to the operatives themselves by the suspension of business from strikes, is far greater than any temporary advantages they may have acquired from partial successes; and a still worse feature of these labor contests is the unnatural strife and bad blood created between employers and workmen. It may be added, that the working classes themselves have already suffered considerably from the high price of coal, occasioned by miners' and colliers' absurd strikes, and consequent cessation from labor.

During the past year, the active demand for money has given full employment to the capital of the bankers and the bill brokers, and this has had the beneficial influence of almost entirely suppressing the prosecution of speculative and hazardous joint stock projects. In the same way, it has checked and obstructed the undue employment of British capital in foreign investments and foreign industrial operations.

In no former year has shipping of every class found so much active occupation. Freights in the foreign trade of every country have risen to a high and inconvenient rate, and, but for the recent alterations in our navigation laws, it is clear that the rise must have been much more considerable, and that this circumstance would have greatly interfered with our mercantile transactions.

The board of trade returns exhibit an expansion of our foreign commerce, and of the domestic consumption of articles of foreign produce by the community, such as has never before been displayed in the same space of time. The tables which are subjoined, illustrate many matters which we cannot here describe more fully, but which will well repay attention and scrutiny.

A single remark may be offered upon the movements of the precious metals. It will be seen that, notwithstanding the increase in the rate of discount, the stock of bullion held by the bank of England is now several millions below what it was at the commencement of last December. It is a curious fact, in the present state of our foreign commerce, that the precious metals pass and repass between this and other countries, in the

way of exchange, to an extent never before experienced. On this account, announcements of extensive gold arrivals often lead to misconception and delusion.

The fluctuations in the value of the English funded securities, foreign stocks, and railway shares, have been very considerable. Our tabular statements in illustration of these changes, will furnish all the information that can be desired.

Upon the whole, in surveying the various commercial occurrences of the year, there are subjects for congratulation as well as for regret. The year 1853 has not been, like many former ones, a period of unabated prosperity; but, on the other hand, it has not been, like some former years, a year of distressing disasters. Commercial operations appear, on the whole, to have been conducted upon a sound basis, or they could not have stood the severe trial which we have lately experienced. Profits must have been large, to have sustained the increased charge for money accommodation. It is in the highest degree satisfactory to think that such a critical time has passed away so well, and that we have obtained, at a comparatively small cost, so many useful additions to our commercial experience.

#### THE COMMERCIAL RETROSPECT OF THE YEAR 1853.

*From the London Times, January 2, 1854.*

*I. Rate of Discount, January, 1853. II. Financial Legislation of 1853. III. Foreign Commercial Relations. IV. General benefits of the diffusion of Wealth. V. Commercial prospects of the year 1854—Increase of precious metals. VI. The Corn Question. VII. Increased value of property. VIII. Increased trade with the United States. IX. Public Securities.*

In the face of short harvests and Russian incendiarism, the commercial year just ended has been the most satisfactory one in history. At its commencement it was hailed as presenting prospects beyond those of any former time; but it has shown, in its course, that a degree of vigor and soundness then prevailed far beyond any thing that could have been estimated, since, if only a portion of the disturbing events that have since transpired could have been foreseen, there are few who would not have predicted ruin in many quarters, and anxiety and inconvenience in all. Instead of this, the whole year has been one of steady progress among every class, and in each department of industry, and the oldest persons conversant with mercantile pursuits cannot remember a period marked by so complete an absence either of direct failures or of private distrust.

I. On the 1st of January there was nothing to indicate the probable occurrence of distractions to the ordinary course of enterprise. A gradual and moderate diminution in the bank bullion had been observable since July, when it had touched the highest point ever reached, but the ceaseless shipments of gold coin to Australia, and the non-arrival of large remittances from that country, furnished a satisfactory explanation. An increase in the rate of discount from 2 per cent., at which it had stood for nine months, was then adopted, and from the end of January to the

beginning of June both the money and stock markets remained with little further variation. At that time, however, forebodings regarding the harvest, and increasing suspicions of the designs of Russia, coupled with an eager absorption of capital in shipments to Australia, and a heavy export of silver to the East, consequent upon the Chinese rebellion, caused a demand for accommodation and a degree of political anxiety that promoted a rapid augmentation in the discount charge at the Bank, until, at the commencement of October, it stood at 5 per cent., while Consols, in a moment of panic, descended to 90½. In the midst of all this the general trade of the country remained entirely firm; and, although since that date the conflict in the East, which was then only probable, has actually commenced, and each day's experience of the results of the harvest, not only in England, but in most parts of Europe, has shown it to have been one of the most deplorable ever known; although, also, the shipments of specie to China have merely moderated, and the necessities or fears of the Emperor of Russia have caused him suddenly to withdraw nearly a million sterling from our markets, a decided reaction has been maintained, until the unprecedented position of the funds, with war and scarcity against them, has called forth more remark than any other circumstance of the time.

II. And while the progress of commercial transactions has thus been everywhere satisfactory, the advances made in financial legislation have been, on the whole, greater than in any former year. The total repeal or reduction of the imposts on nearly 300 articles of food or comfort, was one of the earliest measures of the Parliamentary session; and when to this is added the abolition of the Excise on soap and of the tax on advertisements, the reduction and simplification of the assessed taxes, and the introduction of the penny receipt stamp, together with the application of the legacy duty to real estate, an amount of fiscal improvement is summed up such as is rarely accomplished with similar expedition. These, however, are far from completing the catalogue of what the year has done for commercial freedom. The measure for establishing a reduced and uniform rate of postage to the British possessions in all parts of the world, the working out a reform of the Customs, the arrangements for bringing the charge for the collection of the revenue under the control of Parliament, and the Mercantile Marine and Pilotage Bills—including the removal of the prohibition against the employment of foreign seamen in merchant ships—have all been movements of a character such as are only obtained as the results of long previous efforts on the part of enlightened laborers. Equal to them also in ultimate importance will be two other steps, the arrangements for which have already commenced—namely, the compilation of agricultural statistics and the establishment of a decimal currency.

III. At the same time, the year has been unusually remarkable in its results on our commercial relations with other countries. The two most important nations with whom we are in intercourse have just announced a decided tendency to free trade. The reduction of the iron and coal duties in France is a measure the probable consequences of which have scarcely yet been sufficiently estimated, while the simplification and low-

ering of the United States' tariff, about to be proposed to Congress, must also prove of great advantage. Probably, however, the change in our foreign traffic destined to be the most singular of all, has been rapidly in course of preparation in China.

IV. The most cheering feature in the entire retrospect remains to be noticed in the universal manner in which the benefits enjoyed have been diffused. On all former occasions of great prosperity there have been sectional drawbacks to show that the improvement was more or less owing to temporary circumstances affecting different trades, or connected with a peculiar state of the money market, instead of to any great and all-pervading change in the conditions of general enterprise. The causes now in operation have, as was anticipated, proved themselves beyond all narrow and local influences, and it is a singular illustration of this fact, that during the past year the sole exceptions to the universal well-doing have been found either among those who have refused to recognise the sound basis on which it rested, or those who in gaining much have felt dissatisfied at not gaining more. Thus, the only cause of inability to meet engagements have been a few of moderate amount among the speculators for a fall in the Stock Exchange, while on the part of the operative classes no distress has been witnessed, but from their own determination to decline work unless upon better terms than those already reached.

V. Turning to our prospects for 1854, as far as all the ordinary elements of such a question are concerned, they are again full of encouragement. Intrinsically as favorable as those that prevailed on the 1st of January last, they are stronger in proportion to all the advantages attained by the intervening progress of civilization. The same continuation of the rapid development of the gold discoveries seems certain, aided by the receipt of heavy returns for many months of active trade since brought within the limits of the strictest prudence. A year ago it was plain that the great problem of the day was as to the channels of investment into which the gold accumulations would flow, and the same point is still the most important one before us. It was then seen that extravagant expenditure, the construction of great undertakings, or a recourse to investments in other countries, were the only three modes in which the growth of colonial wealth could find an outlet, and that, whether one or all of these should be witnessed, the effect must be alike rapid on this country, and through it upon the world. Thus far the first mode—namely, that of unlimited expenditure upon imported articles of indulgence—has been seen in operation, but the commencement of vast works of public utility is obviously approaching, and these will probably be carried to an extent to avert the necessity of the third alternative, of seeking securities of distant origin. In each case, however, the final result will be the same. If imported goods are consumed, the demand must increase the price, and that increase of price must find its way into the pockets of the producer and his men. The formation of public works can lead only to a different or an additional class of importations, coupled with an extended immigration, owing to the employment offered still further raising the value of labor here, and causing the Australian importer to have to pay

yet higher prices for his goods of all kinds. Hence, throughout the whole process, the gold in due proportion comes to this side, and the profits thus created must find investment. A portion will be employed, as hitherto, in still further extending trade, but the destination of the main sum must be towards new or existing securities of all kinds. The operation of this inevitable tendency has already been witnessed in the extent to which, during the past 12 months, it has counteracted the effect of the singular combination of circumstances that must otherwise, as far as the stock markets of this and other countries are concerned, have produced serious inconveniences. Not only has the hoarding consequent upon the Treasury system of the United States gone on until at length a total of £5,000,000 sterling has been as much withdrawn from useful circulation as if it were at the bottom of the sea, but an analogous course, to a greater extent, has been pursued in India. At the same time, the state of China has led to the export of several millions sterling to the East, to purchase goods, for which, amid the prevalent apprehensions, no other than metallic payments have been available, while we have also seen another million unexpectedly shipped to Amsterdam or St. Petersburg. Yet, although these, which might have been sufficient of themselves to create considerable confusion, have been merely subordinate events in a year of which the outbreak of war, and occurrence of a harvest that has sent food almost to famine prices, have been the principal features, they have not prevented the continuous manifestations of firmness in the prices of property of every description—a firmness which, as regards the stock market, would have been still more palpable but for the fact that in the previous year, as well as at the commencement of this, the supply of securities was augmented by a large number of foreign undertakings, principally of a healthy character, the outlay for which has since been in active progress.

VI. The altered circumstances distinguishing the prospects of 1854 are—1. The apparent certainty that the drain of capital to Australia, whether in the shape of coin, or of produce and labor paid for by coin, will be far more than counterbalanced by the receipts from that country. 2. That the efflux of specie to the East will likewise experience a turn from the effect of the quantity already sent; and, 3, that with the present rate of money no new outlay in distant schemes is likely to take place. With regard to the corn question, and the probability of an exportation of gold to pay for what is yet required to make up our deficiency, it must be borne in mind that, so long as the wants of the Continent are greater than our own, we can look only to America for the necessary quantity, or, failing an adequate supply from that quarter, to the influence of high prices in leading to a lessened consumption. In the case of large importations from America, experience has shown that the burden of payment is likely to be lightened by a proportionate increase in the demand for our manufactured goods, while in the opposite event of extreme prices from our being confined to our own resources, the result, although fraught with vast individual distress, is merely a transference of money from the pockets of the masses to those of the agriculturists. Seeing, therefore, that, although the food question will undoubtedly be a most anxious one



between this time and next harvest, aspects are conceivable under which its monetary influence may, perhaps, be favorably modified, there is reason to believe that the general state of affairs, viewed simply in their ordinary light, may be contemplated, not merely with a fair degree of confidence, but even with an anticipation of their realizing the desires of the most sanguine.

VII. That the influences of the gold discoveries no longer admit of blindness or dispute is now becoming universally acknowledged, and the feeling is also general that they must increase in rapidity. The only ways in which their inevitable consequences can be demonstrated is by theoretical reasoning, and the practical evidence of an extensive and continuous rise in prices. The first process was long ago performed, and the second is visible to every one, although some, preferring to attribute it entirely to coincident causes, which have unquestionably been in operation, may yet refuse to accept it as conclusive. Meanwhile, whatever may have resulted thus far from the increased production, it is plain that the movement is likely henceforth to be accelerated. The absorption of large amounts traversing the ocean in the shape of coin, while equal sums are coming the other way, will no longer be witnessed; the hoarded totals in the United States and India must, sooner or later, be set free; the delay in the depreciation of gold consequent upon its taking the place of silver, must be lessened by the recent determination of the Bank of France to retain all that remains to them of the latter metal; and, finally, the eager attention devoted to all scientific methods for preventing waste and for extracting gold profitably from ore which, under other circumstances, would have yielded no return, must not merely prevent a falling off in the supply, but most likely, year by year, enable it to be brought from new and unlooked for sources. There is no probability, therefore, that the stir which has commenced in all the relations of property, or in the diffusion of enterprise, is likely to subside. Each year, moreover, we open upon new prospects in an increasing ratio; and among those which now present themselves as calculated to develop fresh fields for adventure and for an extension of traffic, are the navigation, just consummated, of 1,200 miles of the river Murray, and the expedition that is commencing to explore the Amazon.

VIII. But all these considerations, although positive in themselves under natural circumstances, become vague at the present moment, until they are confronted by the question as to how they will be affected by war. Setting that contingency aside, every thing is, as was the case at the same period of last year, sufficiently clear to warrant the statement that the condition of the country is sound to its core, and that there never was a time when men might carry on their occupations with a greater certainty of reward. To the chaotic elements of famine, war, or other convulsions, however, the deductions of economical science must still, except as regards some few general conclusions, be subordinate; yet, even at the present hour, enough seems discernible to avert any unworthy fears. The power by which the signal for anarchy has been unfurled is not one that can seriously impede our commerce in any sea, and, even if this were not the case, the maritime capabilities of the United States

would be sufficient to carry it on wherever it might otherwise be disturbed. Its consumption of our goods has been less than that of some of the pettiest States, while, on the other hand, the shutting out of its produce will soon stimulate an increased trade in the substitutes offered by its rivals. The great point, therefore, as respects material considerations, is the expense to be incurred in armaments, and on this the prospects are far different from any former occasion. The plan of subsidizing other nations will never again be reverted to, and it must be remembered that the conflict which may necessitate loans for the home Government will effectually preclude any new ones being granted to other Powers. For the last 20 years there have been few exceptions when the annual sums lent to foreign nations have been less than £10,000,000 or £15,000,000 sterling, and under no reasonable supposition can the amount required for the most active operations exceed the outflow that will thus be checked. If circumstances had been different, Austria, staggering as she is in the last stage of insolvency, and Russia, unable to make even a rail-road without an appeal for English capital, would certainly have appeared in our market for an aggregate of many millions, to say nothing of those amounts needed by the Italian and other States, whether for purposes of revenue or internal improvement. With these drains cut off on the one hand, and the influx of Australian wealth on the other, there is ground to hope that, if a prosperous harvest should be realized, we may pass even through a war with a similar absence of commercial disturbance to that with which we have this year passed through, an unprecedented combination of adverse crops and political perplexities. At the same time, whatever may be the worth of these considerations, a higher cause of trust remains. Never in the records of the conduct of mankind has an instance of greater forbearance, united with conscious power, been exhibited than by England in the trial now forced upon her, and those who apprehend that this course is destined ultimately to lead to regret, or that the present epoch of the world is one that can be permanently violated by a raid of barbarians determined to carry fire and sword before them, and ignorant of the existence of public law, must have profited little from all they have ever seen of the career of madmen or criminals, and be destitute of faith in the inexorable decree that render such beings merely blind instruments of the very progress they are endeavoring to defy.

IX. The English funds this morning open at lower prices, and experienced a further decline before the close of business. Although it included a report that diplomatic relations have been resumed with Persia, and that changes favorable to a moderate policy have been made in the Turkish Cabinet, the foreign intelligence was generally regarded as warlike, from the extent to which it warranted the suspicion that the Emperor of Russia has resolved upon his course. Consols, which left off last evening at  $93\frac{1}{4}$  to  $94$ , were first quoted  $93\frac{1}{4}$  to  $\frac{3}{4}$ , whence they speedily receded to  $93\frac{3}{4}$  to  $\frac{1}{4}$ —a movement which was further increased before the termination of business, the final quotation being  $93\frac{1}{4}$  to  $\frac{3}{4}$ . There was an augmented pressure for money consequent upon the large collections that have accumulated at the Bank, and this, probably, had more influ-

ence in creating the fall in Consols than the foreign views to which it was attributed. Bank Stock left off at 216 to 218; Reduced,  $93\frac{1}{2}$  to  $\frac{1}{2}$ ; Three and a Quarter per Cents,  $94\frac{1}{2}$  to  $\frac{1}{2}$ ; India Bonds, 1s. to 4s.; and Exchequer bills, 5s. to 8s. premium.

## LIFE INSURANCE STATISTICS.

*Proceedings of the Institute of Actuaries, London, January 2, 1854.*

At the ordinary meeting of this society, held on the 2d of January, the chairman announced the result of the annual examinations in London and Edinburgh, by which it appeared that in London nine candidates had presented themselves for the second year's examination, and had passed in the following order of merit, viz.: 1, J. B. Haycraft; 2, George Scott; 3, E. H. Galsworthy; 4, J. P. Laurence; 5, John Coles; 6, Charles Watkins; 7, Charles Griffiths; 8, Thomas Carr; 9, Thomas Miller, Jr.; and that out of eleven candidates who had offered themselves for matriculation examination, eight had passed, their names appearing in the order of merit indicated: 1, W. P. Pattison; 2, C. G. Fothergill; 3, Samuel Younger; 4, Robert Hatton; 5, George Humphreys; 6, J. B. Allen; 7, D. R. C. Robinson; 8, Edward Nuth.

In Edinburgh, two candidates had presented themselves for their second year's examination, and had passed, viz.: D. R. W. Huie and James Wilson, and one for the matriculation examination, who had also passed, viz.: W. F. Birkmyre.

Mr. Jellicoe, V. P., then read a paper "On the rates of mortality prevailing during forty-four years amongst the male and female lives assured with the Eagle Insurance Company. These investigations, it appears, are of a very laborious character; in the present instance, the number of individuals observed upon, was 7,419, (5,493 males and 1,926 females,) each of whom was traced, through the records of the company, for a period of about eight years and a half on the average. As persons enter and leave such societies at all ages, and at all fractions of ages, certain peculiar corrections are necessary in tabulating results of this nature, which Mr. Jellicoe explained, but which it is not necessary for us to describe. What is called the expectation of life, or what Mr. Farr aptly calls "the probable after-lifetime," came out as follows, that of the well known Northampton table being added for the sake of comparison:

Age.	Males.	Females.	Males and Females.	Northampton Table.
25	35.5	35.4	35.7	30.9
35	28.2	29.1	28.7	25.7
45	21.7	23.8	22.6	20.5
55	15.4	17.6	16.3	15.6
65	10.2	11.8	11.0	10.9
75	5.8	7.0	6.5	6.5

The table of mortality constructed from these data, exhibited the usual irregularities observable when the numbers are not very great, and to

these it became necessary to apply some rectification. Various methods had been proposed for this purpose, and Mr. Jellicoe commented briefly on those given by Mr. Finlaison, Mr. Davies, Mr. Farren, Mr. Gompertz, and others. The last was based upon a theory which supposed that the human frame lost equal portions of its vitality in equal infinitely small intervals of time, and the deductions from that hypothesis appeared to coincide in many instances with the facts. By means of Mr. Gompertz's formula or equation, a table of mortality had been framed, and this, in conjunction with the mean rate of interest actually realized, afforded the elements for computing the true premiums; that is to say, the annual payments to provide simply for the sums assured. The obtaining of these, it seems, was the great object in view, since without such data the premiums charged must be either conjectural or based upon the experience of other associated bodies, which, inasmuch as every society is likely to have an experience peculiar to itself, may be ill adapted to the one in question. In the present instance, it appeared that the results corresponded very closely with those deducible from the elements originally assumed. A good deal of discussion arose, in which Mr. Hodge, Dr. Curtis, and the chairman joined, and after the usual vote of thanks to the author, the meeting separated.

### THE BANKS OF MASSACHUSETTS.

#### *Abstract of their Liabilities and Resources for 1853.*

LIABILITIES.	55 Banks in Boston.	108 Banks out of Boston.	Total, 143 Banks.
Capital stock paid in, . . . . .	\$28,571,000 00	\$20,479,175 60	\$49,050,175 00
Circulation, \$5 and upwards, . . . . .	8,216,224 00	12,817,224 00	21,033,508 00
Circulation less than \$5, . . . . .	1,402,185 00	3,184,829 00	4,586,964 00
Net profits, . . . . .	2,962,478 67	2,076,655 43	5,039,134 10
Balances due other banks, . . . . .	8,107,275 60	486,166 14	8,593,441 74
Deposits, . . . . .	13,199,217 01	5,830,435 09	18,579,652 10
Deposits bearing interest, . . . . .	295,101 64	132,897 11	427,998 75
Total liabilities, . . . . .	\$62,753,491 92	\$44,557,881 77	\$107,310,873 69
RESOURCES.	Banks in Boston.	Country.	Total.
Coin on hand, . . . . .	\$2,921,154 63	\$810,609 94	\$3,731,764 56
Real Estate, . . . . .	617,309 93	452,542 18	1,069,852 11
Bills of banks in this State, . . . . .	6,085,969 79	609,589 53	6,695,559 32
Bills of banks in other States, . . . . .	624,569 00	70,862 50	695,431 50
Due from other banks, . . . . .	3,575,664 43	4,096,025 21	7,671,689 63
Loans, . . . . .	43,678,804 16	33,513,802 86	77,192,607 02
Total resources, . . . . .	\$62,753,491 92	\$44,557,881 77	\$107,310,873 69

We annex a compilation showing the condition of the Banks of Boston in October last. No State in the Union exhibits a more rapid increase in its banking capital than Massachusetts. With a population of one million, it now has a combined capital of more than forty-eight millions of dollars. In addition to the banks already in existence, petitions have

been presented to the Legislature, at its present session, for the incorporation of the following: Merchants' Bank, Lowell; Bank of the United States, Boston; Pemberton Bank, Lawrence; Fisherman's Bank, Boston; Bank of the Republic, Boston; and Brighton Market Bank; also for new banks in Holliston, North Bridgewater, East Boston, Amherst, North Danvers, Conway, Monson, Athol, Watertown, Charlestown, Milford, South Reading, Clinton and Westboro'. Petitions have also been presented for an increase of the capital of the following: Eliot Bank, Grocers' Bank, Mechanics' Bank, Shawmut Bank, Washington Bank, Blackstone Bank, Boylston Bank, Tremont Bank, and Freeman's Bank, all in Boston; Metacomet Bank, Machinists' Bank, Mahaiwe Bank, Bristol County Bank, Pittsfield Bank, Mechanics' Bank, New Bedford; Wamesit Bank, Rollstone Bank, Fitchburg Bank, Lancaster Bank, Waltham Bank, Central Bank, Worcester; Rockport Bank, Housatonic Bank, Village Bank, and the Newton Bank.

*Condition of the thirty Banks in Boston, on the first day of October, 1853. Compiled from the Abstract of Bank Returns prepared for the Legislature.*

LIABILITIES.	Capital.	Circulation.	Profits.	Due Banks.	Deposits.
Atlantic Bank, . . . .	\$500,000	\$316,841	\$82,148	\$56,086	\$399,571
Atlas Bank, . . . .	500,000	184,553	42,854	50,785	273,487
Blackstone Bank, . . . .	850,000	327,351	17,930	6	281,071
Boston Bank, . . . .	900,000	273,444	93,276	41,553	761,378
Boylston Bank, . . . .	800,000	232,125	23,341	.....	249,081
City Bank, . . . .	1,000,000	236,170	110,478	111,296	412,987
Cochituate Bank, . . . .	250,000	269,987	23,252	.....	84,941
Columbian Bank, . . . .	500,000	110,224	42,601	.....	251,216
Commercial Bank, . . . .	1,930,800	477,014	101,181	864,191	1,017,145
Eagle Bank, . . . .	700,000	214,147	62,748	24,296	349,094
Exchange Bank, . . . .	1,000,000	479,464	108,107	426,083	589,553
Faneuil Hall Bank, . . . .	500,000	304,901	23,493	54,750	644,151
Freeman's Bank, . . . .	319,000	247,695	46,103	.....	155,148
Globe Bank, . . . .	1,000,000	229,257	132,786	890,244	447,989
Granite Bank, . . . .	864,000	\$77,345	83,030	263,836	270,643
Grocers' Bank, . . . .	500,000	400,115	29,993	466,510	240,109
Hamilton Bank, . . . .	500,000	233,660	90,993	42,063	301,558
Howard Banking Co., . . . .	500,000	160,220	5,868	3,093	165,181
Market Bank, . . . .	560,000	197,937	99,802	119,142	309,236
Massachusetts Bank, . . . .	800,000	157,160	57,075	17,750	350,286
Mechanics' Bank, . . . .	200,000	191,573	19,730	6	112,092
Merchants' Bank, . . . .	3,000,000	300,843	489,707	1,193,138	1,661,999
National Bank, . . . .	800,000	179,964	6,496	14,000	123,296
New England Bank, . . . .	1,000,000	172,628	122,900	166,463	281,161
North Bank, . . . .	750,000	245,576	98,736	90,161	331,192
North America Bank, . . . .	750,000	311,902	33,425	57,996	375,447
Shawmut Bank, . . . .	500,000	232,040	94,099	142,997	279,164
Shoe and Leather Bank, . . . .	1,000,000	293,595	112,036	193,207	390,567
State Bank, . . . .	1,800,000	250,676	200,331	194,000	627,033
Suffolk Bank, . . . .	1,000,000	272,930	165,854	2,422,656	153,996
Traders' Bank, . . . .	600,000	250,617	72,157	104,974	264,473
Tremont Bank, . . . .	1,197,300	404,923	55,621	433,513	612,065
Union Bank, . . . .	1,000,000	189,161	110,335	71,401	590,333
Washington Bank, . . . .	500,000	242,196	61,068	6,000	257,493
Webster Bank, . . . .	1,500,000	241,069	32,336	75,816	305,336
<b>Total Liabilities, . . . .</b>	<b>\$23,571,000</b>	<b>\$2,616,421</b>	<b>\$2,992,430</b>	<b>\$3,107,375</b>	<b>\$12,494,318</b>

Resources.	Coin.	Real Estate.	Bank Notes.	Bank Bal.	Loans.
Atlantic Bank, . . . .	\$95,815	\$5,000	\$97,618	\$194,681	\$961,382
Atlas Bank, . . . .	487,784	....	62,504	70,954	874,428
Blackstone Bank, . . . .	17,628	4,000	88,100	178,025	699,650
Boston Bank, . . . .	112,085	50,000	206,288	127,861	1,573,293
Boylston Bank, . . . .	11,014	....	82,506	161,540	599,489
City Bank, . . . .	61,582	80,000	65,629	49,055	1,664,616
Cochituate Bank, . . . .	10,990	....	14,052	116,888	491,806
Columbian Bank, . . . .	85,988	....	92,170	84,050	741,840
Commercial Bank, . . . .	81,607	14,968	587,518	215,815	2,490,178
Eagle Bank, . . . .	45,268	....	151,511	42,189	1,111,293
Exchange Bank, . . . .	89,968	....	245,141	221,881	1,996,777
Faneuil Hall Bank, . . . .	89,178	....	128,664	67,510	998,948
Freeman's Bank, . . . .	42,872	....	19,866	110,928	593,776
Globe Bank, . . . .	146,215	55,000	267,791	73,514	1,652,706
Granite Bank, . . . .	67,804	....	181,847	60,849	1,508,804
Grocers' Bank, . . . .	66,854	....	897,101	312,965	929,543
Hamilton Bank, . . . .	38,020	....	101,668	54,568	984,312
Howard Banking Co., . . . .	70,954	....	72,764	89,000	651,762
Market Bank, . . . .	15,982	....	109,987	51,499	1,108,198
Massachusetts Bank, . . . .	56,983	75,812	51,971	186,916	1,060,590
Mechanics' Bank, . . . .	18,594	15,244	1,427	109,871	884,164
Merchants' Bank, . . . .	609,817	153,000	905,187	189,693	5,343,970
National Bank, . . . .	83,073	....	87,940	19,963	487,800
New England Bank, . . . .	60,970	32,600	88,692	87,718	1,473,171
North Bank, . . . .	42,847	....	163,848	86,890	1,323,081
North America Bank, . . . .	44,981	....	92,853	127,080	1,268,857
Shawmut Bank, . . . .	68,681	....	128,892	51,940	999,826
Shoe and Leather Bank, . . . .	66,761	60,757	181,576	44,955	1,630,244
State Bank, . . . .	102,410	....	96,754	75,000	2,797,986
Suffolk Bank, . . . .	407,284	120,000	1,401,372	494,432	1,592,850
Traders' Bank, . . . .	42,674	928	46,829	76,082	1,126,261
Tremont Bank, . . . .	79,402	....	897,000	152,944	2,143,932
Union Bank, . . . .	93,292	....	161,084	89,523	1,598,436
Washington Bank, . . . .	38,521	....	83,662	41,841	908,232
Webster Bank, . . . .	72,228	....	95,857	59,368	1,927,780
Total Resources, . . . .	\$2,921,156	\$617,810	\$6,660,539	\$2,875,663	\$48,678,905

The following are the additions made to the bank capital in the interior towns, in the year 1853, prior to October 1.

Village Bank, Danvers, . . . .	\$40,000	Hadley Falls Bank, Holyoke, . . . .	\$75,000
Warren Bank, Danvers, . . . .	50,000	Hampden Bank, Westfield, . . . .	50,000
Gloucester Bank, . . . .	100,000	Mahaiwe Bank, G. Barrington, . . . .	50,000
Lighton Bank, Lynn, . . . .	50,000	Lee Bank, . . . .	50,000
Mechanics' Bank, Lynn, . . . .	50,000	Dedham Bank, . . . .	50,000
Cambridge Market Bank, . . . .	50,000	Weymouth and Braintree Bank, . . . .	50,000
Prescott Bank, Lowell, . . . .	50,000	Massasoit Bank, Fall River, . . . .	50,000
Waltham Bank, . . . .	50,000	Bristol County Bank, Taunton, . . . .	50,000
Leicester Bank, . . . .	50,000	Machinists' Bank, Taunton, . . . .	50,000
Millford Bank, . . . .	50,000	Taunton Bank, Taunton, . . . .	50,000
Millbury Bank, . . . .	25,000	Abington Bank, . . . .	50,000
Central Bank, Worcester, . . . .	100,000	Hingham Bank, . . . .	35,000
Mechanics' Bank, Worcester, . . . .	50,000	Old Colony Bank, Plymouth, . . . .	50,000
Worcester Bank, Worcester, . . . .	50,000	Plymouth Bank, . . . .	50,000
Hampshire Man. Bank, . . . .	50,000	Westfield Bank, . . . .	50,000
Franklin County Bank, . . . .	40,000		

The following new Banks were chartered at the Session of 1853 :

<i>Location.</i>	<i>Name.</i>	<i>Amount of capital.</i>	<i>Commenced operation.</i>
Boston, . . . . .	Howard Banking Co.,	\$500,000	August 23, 1853.
" . . . . .	National,	800,000	" 2, 1853.
" . . . . .	Webster,	1,500,000	" 16, 1853.
" . . . . .	Eliot,	800,000	October 7, 1853.
Cambridge, . . . . .	Cambridge City,	100,000	September 1, 1853.
Woburn, . . . . .	Woburn,	100,000	" 16, 1853.
Pittsfield, . . . . .	Pittsfield,	150,000	June 18, 1853.
Quincy, . . . . .	Mount Wollaston,	100,000	August 12, 1853.
Methuen, . . . . .	Spicket Falls,	100,000	November 15, 1853.
Lowell, . . . . .	Wamect,	100,000	October 31, 1853.
Springfield, . . . . .	Pynchon,	150,000	October 14, 1853.
Roxbury, . . . . .	Rockland,	100,000	October 18, 1853.
Fall River, . . . . .	Metacomet,	400,000	December 5, 1853.
South Boston, . . . . .	Broadway,	100,000	.....
Hopkinton, . . . . .	Hopkinton,	100,000	.....
Cambridge, . . . . .	Lechmere,	100,000	January 16, 1854.

## THE SAVINGS BANKS OF MASSACHUSETTS.

*The number of depositors—Amount of deposits—Dividends for 1853, and for five years—Annual expenses.*

THERE is no better index required, than the Savings Banks, of the prosperity of Massachusetts and of the prevalent disposition among the operatives to save portions of their earnings. We have compiled from the annual bank returns the following summary of the number of depositors, amount of deposits, dividend for the year 1853, and average annual dividend for five years past, and annual expenses of each institution :

	<i>Number of Depositors.</i>	<i>Amount of Deposits.</i>	<i>Div. 1853.</i>	<i>Div. 5 years.</i>	<i>Annual Expenses.</i>
Provident Savings, Boston, . . . . .	27,910	\$5,155,943	4	8	\$17,773
Suffolk Savings Bank, Boston, . . . . .	7,467	1,855,460	4	8	7,552
*East Boston Savings Bank, . . . . .	380	63,600	4	.	300
Andover Savings Bank, . . . . .	939	200,043	5	6.66	400
*Danvers do. . . . .	772	117,590	5	.	175
Cape Ann do. . . . .	351	86,500	5	6.20	85
Haverhill do. . . . .	2,519	446,856	5	6½	674
Essex do. . . . .	823	121,008	4	9½	302
Lynn do. . . . .	1,860	177,105	5	6	404
Newburyport do. . . . .	5,228	1,082,776	6	6½	2,020
*Rockport do. . . . .	88	2,751	new,	.	...
Salem do. . . . .	8,413	1,636,268	5	5	2,708
Salisbury do. . . . .	984	162,768	6	6.10	300
Cambridge do. . . . .	1,081	168,255	4	7	525
*Cambridgeport Savings Bank, . . . . .	124	14,763	4	new,	100
Charlestown do. . . . .	2,639	513,438	4	8	1,053
Concord do. . . . .	1,744	394,742	4	7	833
Framingham do. . . . .	469	85,027	4	4.80	225
City Institution, Lowell, . . . . .	2,963	665,305	5	7.66	1,074
Lowell Institution, Lowell, . . . . .	5,980	1,126,071	4	7.12	2,400
Newton Savings Bank, . . . . .	117	7,853	4	6	30
Waltham do. . . . .	22	11,571	new,	.	..

	Number of Depositors.	Amount of Deposits.	Div. 1853.	Div. 5 years.	Annual Expenses.
*Clinton Savings Bank, . . . . .	81	8,461	4½	.	50
Fitchburg do. . . . .	1,474	243,738	5	6.60	350
**Lancaster do. . . . .	657	104,757	4	.	218
*Milford do. . . . .	243	24,790	4½	.	100
*Southbridge do. . . . .	810	86,568	4	8	50
Worcester County do. . . . .	8,908	1,667,044	5	7½	3,768
*Worcester Mechanics' Savings Bank, .	1,190	214,455	5	.	315
Northampton do. . . . .	313	38,103	5	7	107
*Ware do. . . . .	424	60,400	5	.	131
*Hampden Savings Bank, Springfield,	284	49,332	5	.	150
Springfield Savings Institution, . . .	2,627	560,270	5	4.60	1,317
*Westfield do. . . . .	81	6,100	new,	.	....
Greenfield do. . . . .	1,178	241,105	5	7	367
*North Adams do. . . . .	138	22,690	5	.	50
Lee do. . . . .	177	20,058	5	.	171
Pittsfield do. . . . .	469	77,525	5	7	230
Canton do. . . . .	329	46,841	4	7	200
Cohasset do. . . . .	255	49,848	5	7.46	113
Dedham do. . . . .	2,126	443,273	4	6.92	910
Dorchester do. . . . .	93	8,941	.	.	....
Quincy do. . . . .	783	129,828	5	6.80	355
*Randolph do. . . . .	55	6,513	4	.	100
Roxbury do. . . . .	1,265	223,077	4	7½	1,200
Weymouth do. . . . .	759	125,567	5	6.36	150
Fairhaven do. . . . .	435	158,797	5½	5.50	500
Fall River do. . . . .	4,447	1,297,363	7	6.20	2,296
New Bedford do. . . . .	5,118	1,818,862	5	5	1,790
Taunton do. . . . .	1,490	321,159	5	5	1,211
*Abington do. . . . .	67	7,394	new,	.	....
Hingham do. . . . .	1,739	390,133	5	7.24	605
*North Bridgewater do. . . . .	251	34,700	5	.	213
Plymouth do. . . . .	3,467	608,056	5	6	1,233
*Scituate do. . . . .	197	14,062	5	.	13
South Scituate do. . . . .	275	157,268	5	6.50	353
Wareham do. . . . .	753	163,080	6	6	141
Barnstable do. . . . .	1,081	272,231	5½	5.50	590
*Provincetown do. . . . .	51	8,474	.	.	116
Nantucket do. . . . .	934	254,240	5	5	575

The following new Savings Banks were chartered at the session of the legislature of 1853 :

I. Abington.

II. Cambridgeport.

III. Dorchester.

IV. Rockport.

V. Waltham.

VI. Westfield.

The annual report of the Massachusetts Bank Commissioners states, that so popular is the principle of Savings Banks, that voluntary associations of the kind have sprung up in some of the manufacturing villages of the Commonwealth ; "and in portions of the State, individuals having, from their position, important facilities, are doing the business appropriate to Savings Banks ; thus standing in an attitude of rivalry with these beneficent institutions."

\*\* Dividend to July, 1850, 8½ per cent. : since then, 4 per cent.

\* In operation less than five years. Several of them having been established in the year 1853.



"Many of the Savings Banks have become very largely expanded; and it may be suggested, as a proper inquiry, whether this absorbing of capital, without some limitation of amount, be advisable and expedient. This question has received attention in the State of New York, where a law has been passed, restricting Savings Banks hereafter incorporated in the City of New York and in the county of Kings, from receiving a larger amount of deposits than three millions of dollars each.

"In several of our best-managed institutions, the semi-annual dividends have been raised from two to two and a half and three per cent. This approximation to a division of the profits of the deposits in 'just proportion,' has not only been justified by the prosperous condition of the institutions themselves, but also seems to us to have been precisely what the statutes contemplated."

*A comparative table of liabilities and resources of the Banks for Savings in Massachusetts, for the years 1851, 1852, 1853.*

LIABILITIES.	May, 1851.	Oct., 1852.	Oct. 29, 1853.
Number of depositors, . . . . .	\$86,537	\$97,353	\$117,404
Amount of deposits, . . . . .	15,554,083	18,401,307	23,370,103
INVESTMENTS.	May, 1851.	Oct., 1852.	Oct., 1853.
Public funds, . . . . .	1,300,657	1,176,917	861,646
Loans on public funds, . . . . .	28,200	7,650	1,000
Bank stock, . . . . .	2,624,576	3,555,296	5,398,253
Loans on bank stock, . . . . .	399,705	550,704	712,075
Deposits in banks on interest, . . . . .	252,868	258,748	440,932
Rail-Road stock, . . . . .	126,187	145,740	130,621
Loans on Rail-Road stock, . . . . .	806,290	261,468	239,877
Invested in Real estate, . . . . .	100,854	102,401	106,896
Loans on Mortgages, . . . . .	4,356,000	5,615,450	7,262,306
Loans to counties and towns, . . . . .	1,875,987	2,012,250	3,152,694
Loans on personal security, . . . . .	4,652,123	5,023,418	6,392,500
Cash on hand, . . . . .	232,186	388,058	311,533
Total investments, . . . . .	\$16,255,866	\$19,123,130	\$25,010,183
Dividend for the year preceding, . . . . . per ct. 4 78		4 09	4 77
Average dividend for five years, . . . . . " 6 21		6 49	6 71
Amount of dividend last year, . . . . .	\$543,470	\$1,033,236	\$545,107
Annual expenses, . . . . .	143,707	49,380	59,071
Average deposit of each depositor, . . . . .	150	182	193

**TAXES ON SAVINGS BANK.**

*Worcester County Institution for Savings v. City of Worcester.—Before the Supreme Judicial Court of Massachusetts, Worcester, ss., Oct. 1853.*

A Savings Bank, incorporated under the authority of this Commonwealth, is not taxable for bank stock in which its deposits are invested.

This was an action of contract by a savings bank, incorporated under the authority of this Commonwealth, to recover a tax assessed upon bank stock in which deposits made with the plaintiffs had been invested. If the tax was legally assessed, the plaintiffs were to become nonsuited, otherwise the defendants were to be defaulted.

METCALF, J.—The only question in this case is, whether the plaintiffs were legally taxed for the bank stock in which they had invested the money received by them on deposit; and we deem it very clear that they were not. They pay interest on the deposits received by them, (Rev. Stat. c. 36, s. 81,) and the several depositors are taxable as for money at interest. (Rev. Stat. c. 7 s. 4.)

It is true that the plaintiffs receive interest by way of dividends on the deposits which they invest in bank stock; but as they pay interest to the depositors, they are not taxable for the money thus at interest; because by Rev. Stat. c. 7, s. 4, it is only "moneys at interest due to the persons to be taxed more than they pay interest for," that are taxable. This case is not distinguishable from that of banks and manufacturing corporations in which the stockholders and not the corporations are taxable for the stock, with the single exception of machinery employed in manufactures. (Rev. Stat. c. 7, s. 10.)

Defendants defaulted.—*Boston Law Reporter.*

#### BANK CAPITAL OF TOWNS IN MASSACHUSETTS.

	No. Banks.	Capital.		No. Banks.	Capital.
Boston,.....	35	\$28,571,000	Milford,.....	1	\$200,000
Abington,.....	1	150,000	Marblehead,.....	2	220,000
Andover,.....	1	250,000	Millbury,.....	1	50,000
Attleborough,.....	1	100,000	Nantucket,.....	1	200,000
Beverly,.....	1	125,000	Newburyport,.....	3	510,000
Blackstone,.....	1	100,000	New Bedford,.....	4	1,900,000
Brighton,.....	1	250,000	Newton,.....	1	150,000
Cambridge,.....	4	450,000	Northampton,.....	2	400,000
Canton,.....	1	100,000	North Adams,.....	1	200,000
Charlestown,.....	1	200,000	Oxford,.....	1	100,000
Chelsea,.....	1	150,000	Pittsfield,.....	2	350,000
Chicopee,.....	1	150,000	Plymouth,.....	2	250,000
Concord,.....	1	100,000	*Quincy,.....	2	200,000
Danvers,.....	3	510,000	Randolph,.....	1	150,000
Dedham,.....	1	250,000	Rockport,.....	1	100,000
Dorchester,.....	2	200,000	Roxbury,.....	1	150,000
Fairhaven,.....	1	200,000	Salem,.....	7	1,760,000
Fall River,.....	2	550,000	Salisbury,.....	1	100,000
Fitchburg,.....	2	400,000	Southbridge,.....	1	100,000
Framingham,.....	1	200,000	Springfield,.....	5	1,150,000
Falmouth,.....	1	100,000	Stockbridge,.....	1	100,000
Gloucester,.....	1	300,000	Taunton,.....	3	600,000
Greenfield,.....	2	380,000	Uxbridge,.....	1	100,000
G. Barrington,.....	1	150,000	Ware,.....	1	250,000
Haverhill,.....	4	530,000	Waltham,.....	1	150,000
Hingham,.....	1	140,000	Westfield,.....	2	300,000
*Holyoke,.....	1	200,000	Weymouth,.....	1	150,000
Lawrence,.....	1	500,000	Worcester,.....	5	1,200,000
Lancaster,.....	1	150,000	Wrentham,.....	1	150,000
Leicester,.....	1	150,000	Yarmouth,.....	1	300,000
Lee,.....	1	200,000	Woburn,.....	1	75,550
Lowell,.....	4	1,150,000	Wareham,.....	1	100,000
Lynn,.....	2	400,000			
Malden,.....	1	100,000	Total,.....	143	\$49,171,550

\* The capitals of the banks at Holyoke and Quincy have been paid in full.

*Liabilities and Resources of the Country Banks of Massachusetts.*  
*October 1, 1853.—From the Official Report.*

<i>Name of Bank.</i>	<i>Capital.</i>	<i>Circulation.</i>	<i>Profits.</i>	<i>Due Banks.</i>	<i>Deposits.</i>
Abington Bank, . . . . .	\$150,000	\$184,602	\$15,725	....	\$29,767
Adams Bank, . . . . .	200,000	156,095	18,123	410	28,450
Andover Bank, . . . . .	250,000	97,923	15,795	....	26,446
Attleborough, . . . . .	100,000	45,727	12,398	4,643	20,238
Beverly Bank, . . . . .	125,000	98,123	15,598	75	53,609
Worcester Co., Blackstone, . . . . .	100,000	79,343	3,301	....	15,726
Brighton, . . . . .	250,000	323,942	23,555	....	29,310
Cambridge Bank, . . . . .	100,000	65,758	12,354	....	50,544
Cambridge City Bank, . . . . .	98,150	61,764	854	....	16,095
Cambridge Market Bank, . . . . .	150,000	157,715	4,753	....	23,457
Charles River Bank, . . . . .	100,000	75,442	17,923	....	78,615
Neponset, Canton, . . . . .	100,000	107,257	6,225	....	23,340
Bunker Hill, Charlestown, . . . . .	200,000	198,928	25,030	....	166,244
Tradesmen's, Chelsea, . . . . .	150,000	114,550	11,920	....	85,426
Cabot, Chicopee, . . . . .	150,000	177,751	3,650	....	16,660
Concord Bank, . . . . .	100,000	97,166	10,343	....	18,467
Danvers Bank, . . . . .	150,000	98,725	17,587	15,016	28,544
Village, Danvers, . . . . .	160,000	134,465	19,946	3,091	35,519
Warren, Danvers, . . . . .	200,000	123,910	22,780	3,042	23,872
Dedham, . . . . .	250,000	146,415	46,333	416	74,331
Blue Hill, Dorchester, . . . . .	100,000	94,702	4,631	....	26,195
Mattapan, Dorchester, . . . . .	100,000	74,151	12,604	....	25,560
Fairhaven Bank, . . . . .	200,000	92,298	14,293	1,022	92,231
Fall River Bank, . . . . .	250,000	180,379	22,163	5,674	88,623
Massasoit, Fall River, . . . . .	153,900	91,134	22,525	1,576	52,314
Fitchburg Bank, . . . . .	200,000	245,244	31,162	....	39,762
Rollstone Bank, . . . . .	200,000	215,640	18,280	....	21,060
Falmouth, . . . . .	100,000	64,074	8,324	....	6,692
Frammingham, . . . . .	200,000	170,291	18,050	....	53,373
Gloucester, . . . . .	300,000	188,457	5,894	200	67,712
Franklin Co., Greenfield, . . . . .	180,000	203,972	14,503	47	32,573
Greenfield Bank, . . . . .	200,000	214,643	18,846	2,597	29,110
Mahaiwe Bank, Barrington, . . . . .	150,000	152,182	23,426	464	22,834
Essex, Haverhill, . . . . .	100,000	64,324	2,400	....	13,043
Haverhill, Haverhill, . . . . .	150,000	90,844	22,928	9,357	27,373
Merrimack, Haverhill, . . . . .	180,000	77,643	15,003	11,710	24,530
Union, Haverhill, . . . . .	100,000	68,100	15,240	2,070	29,014
Hingham Bank, . . . . .	140,000	122,478	23,610	....	43,916
Hadley Falls, Holyoke, . . . . .	163,325	160,087	2,010	....	25,646
Lancaster Bank, . . . . .	150,000	161,022	21,294	....	14,450
Bay State, Lawrence, . . . . .	500,000	306,454	46,126	50,036	42,873
Lee Bank, . . . . .	200,000	250,967	23,123	9,331	14,523
Leicester Bank, . . . . .	150,000	160,091	18,635	....	15,410
Appleton, Lowell, . . . . .	150,000	186,633	29,996	....	72,306
Lowell, Lowell, . . . . .	200,000	151,540	40,193	167	43,567
Prescott, Lowell, . . . . .	200,000	199,933	20,826	....	47,414
Rail-Road, Lowell, . . . . .	600,000	414,943	114,187	453	46,693
Laighton, Lynn, . . . . .	200,000	138,329	12,153	8,702	54,057
Lynn Mechanics', Lynn, . . . . .	200,000	162,629	21,033	1,017	79,790
Malden, . . . . .	100,000	94,276	5,854	....	27,714
Grand, Marblehead, . . . . .	100,000	81,200	6,192	184	25,629
Marblehead Bank, . . . . .	120,000	85,446	550	....	23,245
Milford Bank, . . . . .	200,000	168,555	24,080	....	16,860
Milbury Bank, . . . . .	50,000	43,067	1,197	....	28,010

## Country Banks of Massachusetts.—Resources.

(The first column denotes the dividend for the year 1853.)

Div.	Name of Bank.	Coin on hand.	Real Estate.	Bank Notes.	Due by Banks.	Loans.
8	Abington Bank, . . . . .	\$5,026	\$4,014	\$5,187	\$15,561	\$300,306
7	Adams Bank, . . . . .	6,044	2,950	287	17,864	378,433
7	Andover Bank, . . . . .	4,450	5,000	2,092	7,815	371,307
..	Attleborough Bank, . . . . .	2,893	3,900	470	8,936	171,763
73-5	Beverly Bank, . . . . .	6,181	3,720	6,735	26,510	249,814
7	Worcester Co. Bank, Blackstone, . . . . .	3,540	....	1,566	9,030	184,234
10	Brighton Bank, . . . . .	12,005	2,474	3,810	70,546	531,273
8	Cambridge Bank, . . . . .	3,493	6,000	2,268	12,763	203,107
new.	Cambridge City Bank, . . . . .	5,993	....	484	30,108	140,273
8	Cambridge Market Bank, . . . . .	6,635	4,818	9,371	10,593	304,503
8	Charles River Bank, . . . . .	3,904	....	239	61,617	201,225
6	Neponset Bank, Canton, . . . . .	6,240	....	10,641	20,435	199,506
8	Bunker Hill, Charlestown, . . . . .	26,185	16,000	14,973	153,355	394,690
8	Tradesmen's, Chelsea, . . . . .	7,212	....	24,836	32,090	293,218
7	Cabot Bank, Chicopee, . . . . .	5,163	....	2,483	31,963	308,437
7	Concord Bank, . . . . .	12,186	2,400	1,973	23,414	186,508
6	Danvers Bank, . . . . .	3,548	3,000	7,973	....	295,303
8	Village Bank, Danvers, . . . . .	2,813	....	3,446	23,904	316,898
7	Warren Bank, Danvers, . . . . .	4,756	....	5,652	31,761	361,335
8	Dedham Bank, . . . . .	14,526	....	911	2,017	500,036
6	Blue Mill, Dorchester, . . . . .	6,333	....	2,013	7,506	209,721
8	Mattapan Bank, Dorchester, . . . . .	5,377	....	3,246	8,597	190,093
8	Fairhaven Bank, . . . . .	6,667	3,000	133	42,643	347,351
16	Fall River Bank, . . . . .	23,434	7,000	14,712	36,316	566,406
9	Massasoit Bank, Fall River, . . . . .	12,764	....	10,370	7,920	239,495
7½	Fitchburg Bank, . . . . .	15,963	1,700	935	116,408	331,156
7	Rollstone, Fitchburg, . . . . .	10,236	2,935	613	56,190	331,097
6	Falmouth Bank, . . . . .	2,893	5,163	....	23,761	147,374
7	Frammingham Bank, . . . . .	6,933	2,000	3,725	24,867	399,195
9	Gloucester Bank, . . . . .	7,995	9,330	11,725	34,211	499,001
8	Franklin Co., Greenfield, . . . . .	11,761	6,662	3,071	52,400	357,510
8	Greenfield Bank, . . . . .	6,330	6,500	3,701	63,956	334,633
8	Mahalwe Bank, Barrington, . . . . .	5,887	2,734	10,517	27,905	301,312
6	Essex Bank, Haverhill, . . . . .	3,022	1,500	1,350	6,725	167,670
8	Haverhill Bank, Haverhill, . . . . .	5,036	5,000	6,373	5,458	279,133
8	Merrimac Bank, Haverhill, . . . . .	4,790	2,000	3,533	22,117	276,400
8	Union Bank, Haverhill, . . . . .	3,033	3,000	1,543	14,370	192,533
8½	Hingham Bank, . . . . .	7,130	7,373	9,220	23,013	232,213
8½	Hadley Falls, Holyoke, . . . . .	7,373	2,000	25	59,716	231,905
8	Lancaster Bank, . . . . .	7,147	1,000	2,168	36,543	229,902
7	Bay State, Lawrence, . . . . .	14,244	20,000	5,780	42,603	362,364
9	Lee Bank, . . . . .	4,333	2,330	2,065	95,330	323,340
10	Leicester Bank, . . . . .	4,444	1,000	102	39,920	293,669
9	Appleton Bank, Lowell, . . . . .	6,454	18,000	13,980	97,417	293,355
10	Lowell Bank, Lowell, . . . . .	2,331	....	13,640	20,830	393,336
8	Prescott Bank, Lowell, . . . . .	5,956	....	30,493	32,243	399,533
8	Rail-Road Bank, Lowell, . . . . .	9,993	....	4,552	71,116	1,090,645
*4	Lighton Bank, Lynn, . . . . .	6,574	....	7,140	12,630	337,507
8	Lynn Mechanics' Bank, . . . . .	3,473	10,000	9,923	43,773	337,344
8	Malden Bank, . . . . .	7,237	5,633	7,713	6,330	199,316
7	Grand Bank, Marblehead, . . . . .	3,430	3,790	7,634	11,427	181,975
7	Marblehead Bank, . . . . .	7,397	6,333	1,330	17,621	196,360
8	Milford Bank, . . . . .	4,725	....	15,107	9,331	309,331
8	Millbury Bank, . . . . .	2,760	....	535	20,697	93,333

<i>Name of Bank.</i>	<i>Capital.</i>	<i>Circulation.</i>	<i>Profits.</i>	<i>Due Banks.</i>	<i>Deposits.</i>
Pacific, Nantucket, . . . . .	\$300,000	\$151,697	\$40,798	\$543	\$263,471
Bedford Com., New Bedford, . . . . .	600,000	299,340	42,410	113,490	196,996
Marine, New Bedford, . . . . .	500,000	316,947	40,351	22,632	182,770
Mechanics', New Bedford, . . . . .	200,000	188,228	39,906	612	80,507
Merchants', New Bedford, . . . . .	600,000	412,443	49,078	26,746	179,468
Mechanics', Newburyport, . . . . .	200,000	83,244	8,172	8,704	73,370
Merchants', Newburyport, . . . . .	210,000	94,964	12,338	3,266	59,144
Ocean, Newburyport, . . . . .	100,000	119,496	15,937	....	60,040
Newton Bank, . . . . .	150,000	125,983	11,755	6,210	33,356
Holyoke, Northampton, . . . . .	200,000	220,367	864	768	36,170
Northampton Bank, . . . . .	200,000	230,718	38,991	75	42,670
Oxford Bank, . . . . .	100,000	77,454	7,143	4,353	7,719
Agricultural, Pittsfield, . . . . .	200,000	208,727	16,537	1,681	36,746
Pittsfield Bank, . . . . .	150,000	180,396	4,062	2,456	25,338
Old Colony, Plymouth, . . . . .	100,000	93,693	21,970	9,673	26,933
Plymouth, Plymouth, . . . . .	150,000	178,323	23,418	....	25,073
Mt. Wollaston, Quincy, . . . . .	69,450	53,457	652	....	27,123
Quincy Stone, Quincy, . . . . .	100,000	77,488	9,955	....	29,692
Randolph Bank, . . . . .	150,000	123,700	43,130	....	40,510
Rockport Bank, . . . . .	100,000	124,900	10,856	....	23,612
People's, Roxbury, . . . . .	150,000	97,931	15,364	....	92,909
Asiatic, Salem, . . . . .	210,000	158,510	34,596	14,111	132,192
Commercial, Salem, . . . . .	200,000	71,936	23,426	4,943	89,250
Exchange, Salem, . . . . .	200,000	72,814	22,593	2,357	39,417
Mercantile, Salem, . . . . .	200,000	60,043	11,125	7,374	51,368
Merchants', Salem, . . . . .	200,000	73,208	16,108	8,756	92,696
Naumkeag, Salem, . . . . .	500,000	168,901	44,900	9,614	150,740
Salem Bank, . . . . .	250,000	58,323	13,552	8,292	30,458
Powow River, Salisbury, . . . . .	100,000	120,100	13,131	....	9,301
Southbridge Bank, . . . . .	100,000	104,714	10,123	....	11,297
Agawam, Springfield, . . . . .	200,000	231,831	8,093	1,954	72,237
Chicopee, Springfield, . . . . .	300,000	232,635	32,034	543	73,731
John Hancock, Springfield, . . . . .	100,000	126,974	3,315	....	33,320
Springfield, Springfield, . . . . .	300,000	306,171	17,741	....	31,590
Western, Springfield, . . . . .	250,000	309,600	11,223	63,463	31,329
Housatonic, Stockbridge, . . . . .	100,000	123,113	26,323	6	42,460
Bristol Co., Taunton, . . . . .	250,000	201,031	21,941	494	77,941
Machinists', Taunton, . . . . .	100,000	85,017	11,920	2,172	62,473
Taunton, Taunton, . . . . .	250,000	154,215	23,708	2,087	100,796
Blackstone, Uxbridge, . . . . .	100,000	88,630	6,554	....	35,814
Waltham Bank, . . . . .	146,750	111,356	1,730	....	22,851
Hampshire Man., Ware, . . . . .	250,000	246,037	25,033	1,360	5,450
Wareham Bank, . . . . .	100,000	96,450	78	275	37,541
Hampdon, Westfield, . . . . .	150,000	143,150	22,783	4,603	15,322
Westfield, Westfield, . . . . .	150,000	174,305	7,710	1,990	26,747
Union, Weymouth, . . . . .	143,050	117,142	15,627	....	40,164
Woburn Bank, . . . . .	75,550	57,909	....	....	22,193
Wrentham Bank, . . . . .	150,000	109,493	9,764	....	92,144
Central, Worcester, . . . . .	250,000	154,593	5,440	2,533	98,040
Citizens', Worcester, . . . . .	150,000	106,074	39,756	1,070	23,124
Mechanics', Worcester, . . . . .	350,000	239,063	45,353	3,703	105,360
Quinsigamond, Worcester, . . . . .	150,000	105,092	10,493	1,450	61,340
Worcester, Worcester, . . . . .	300,000	169,034	35,030	5,367	154,963
Barnstable, Yarmouth, . . . . .	300,000	246,355	46,644	....	26,770
Total liabilities, . . . . .	\$20,479,175	\$16,092,053	\$2,076,655	\$496,166	\$5,513,333

<i>Dis.</i>	<i>Name of Bank.</i>	<i>Coin on hand.</i>	<i>Real Estate.</i>	<i>Bank Notes.</i>	<i>Due by Banks.</i>	<i>Loans.</i>
10	Pacific Bank, Nantucket, . . .	\$17,823	\$10,000	\$63	\$250,063	\$398,557
7	Bedford Commercial Bank, . . .	6,743	13,000	3,405	10,404	1,143,694
7	Marine, New Bedford, . . .	15,428	10,973	3,175	43,517	984,608
7	Mechanics', New Bedford, . . .	6,681	9,000	3,073	11,421	429,130
7	Merchants', New Bedford, . . .	6,514	13,000	122	43,761	1,209,388
7	Mechanics', Newburyport, . . .	9,182	9,000	3,609	37,775	318,989
7½	Merchants', Newburyport, . . .	8,525	6,000	571	40,530	333,319
10	Ocean, Newburyport, . . .	8,227	2,500	3,942	34,083	196,916
8	Newton Bank, . . .	4,912	5,416	13,534	5,356	293,566
*8	Holyoke, Northampton, . . .	6,061	....	10,219	94,731	857,059
9	Northampton Bank, . . .	6,982	2,000	3,349	99,665	400,509
*8	Oxford Bank, . . .	3,608	2,054	1,516	....	190,451
8	Agricultural, Pittsfield, . . .	2,562	6,010	1,651	65,179	331,289
new.	Pittsfield Bank, . . .	6,210	1,500	950	53,826	299,337
10	Old Colony, Plymouth, . . .	3,306	500	5,752	43,226	199,040
10	Plymouth, Plymouth, . . .	6,340	500	10,683	75,517	233,774
new.	Mt. Wollaston, Quincy, . . .	1,130	....	3,833	25,325	130,394
8½	Quincy Stone Bank, . . .	6,555	5,000	4,624	1,045	199,361
10	Randolph Bank, . . .	6,904	....	6,738	43,680	309,963
8½	Rockport Bank, . . .	4,481	....	13,330	41,993	193,564
8	People's, Roxbury, . . .	14,014	....	19,892	31,159	291,446
9	Asiatic, Salem, . . .	17,231	....	52,223	60,002	419,953
7½	Commercial, Salem, . . .	6,921	10,536	5,896	8,145	363,107
14½	Exchange Bank, Salem, . . .	5,659	4,000	1,789	8,413	317,335
6	Mercantile Bank, Salem, . . .	3,935	6,000	10,463	656	309,346
6	Merchants' Bank, Salem, . . .	4,419	....	4,080	15,543	361,723
7	Naumkeag Bank, Salem, . . .	11,953	560	23,913	9,970	327,753
7	Salem Bank, . . .	2,620	4,373	6,073	24,244	323,304
8	Powow River Bank, Salisbury, . . .	3,600	....	1,331	37,922	199,737
6½	Southbridge Bank, . . .	4,691	2,600	1,163	17,352	199,323
8	Agawam, Springfield, . . .	9,151	7,735	13,725	79,332	393,777
8	Chicopee Bank, Springfield, . . .	11,170	7,000	9,370	73,303	593,643
8	John Hancock, Springfield, . . .	8,295	3,466	1,005	41,650	204,138
7	Springfield Bank, Springfield, . . .	7,206	7,200	10,530	32,715	593,103
6½	Western Bank, Springfield, . . .	9,823	14,370	6,390	167,534	472,460
9	Housatonic, Stockbridge, . . .	3,543	2,250	....	71,316	214,507
10	Bristol Co. Bank, Taunton, . . .	5,252	10,000	2,013	67,433	466,755
8	Machinists' Bank, Taunton, . . .	3,344	....	4,406	59,524	193,909
8	Taunton Bank, . . .	4,534	9,212	1,020	33,737	436,303
8	Blackstone Bank, Uxbridge, . . .	5,425	924	957	20,497	193,946
13	Waltham Bank, . . .	11,204	5,500	5,036	3,631	253,316
8	Hampshire Man., Ware, . . .	9,323	3,735	774	21,307	492,765
..	Wareham Bank, . . .	2,768	7,356	7,569	16,430	199,733
10	Hampden, Westfield, . . .	5,293	4,410	3,392	32,149	296,120
6	Westfield Bank, . . .	3,730	4,964	5,555	33,663	307,346
8	Union, Weymouth, . . .	3,675	6,000	10,535	35,234	260,433
new.	Woburn Bank, . . .	6,462	....	1,006	35,526	112,656
7	Wrentham Bank, . . .	4,623	753	199	13,130	272,601
8	Central Bank, Worcester, . . .	14,213	....	3,963	35,020	457,464
8	Citizens' Bank, Worcester, . . .	12,602	....	2,554	10,914	305,956
8	Mechanics' Bank, Worcester, . . .	16,333	....	9,144	29,219	639,212
8	Quinsigamond Bank, Worcester, . . .	3,302	....	10,994	16,135	293,494
8	Worcester Bank, Worcester, . . .	16,303	25,000	2,922	47,435	572,307
8½	Barnstable Bank, Yarmouth, . . .	6,376	2,000	326	22,769	533,776
Total resources, . . .		\$310,610	\$452,542	\$677,596	\$4,096,026	\$38,520,309

\* For six months only.

† Per share.

The Gloucester Bank made an extra dividend of 15 per cent. in July, 1853, in addition to the 4½ per cent. in October, 1852, and 4½ in April, 1853. The Millbury Bank, an extra dividend of 15 per cent.

The Central Bank declared an extra dividend of 12 per cent. in July, 1853, beyond the 8 per cent. stated.

#### REVENUE FROM BANKS.

*From the Annual Report of the Auditor of Accounts.*

The principal source of revenue, for many years, has been the bank tax, which, owing to the large increase of capital granted by the last legislature, will amount this year, to \$550,000, without counting much upon further grants.

As this tax has been considered by many persons an unjust one, and an unnecessary burden upon the business of the community, and arguments have been used for its repeal or reduction, I trust I may be pardoned for offering a few suggestions to show, that instead of reduction or repeal, there might be a still larger per centage imposed, and no injustice done.

The banks are authorised by the legislature to take the notes of individuals or corporations bearing interest; and based upon these (and not upon specie) are issued their own notes without interest, and nominally payable on demand in specie, though practically having a circulation varying from thirty to sixty days, and redeemable substantially in the same paper for which they were issued.

The consequence then is, that the public, or in other words, the people of the Commonwealth, pay to the banks the interest on the circulation, and get no return except the convenience of having a currency which possesses a wider credit than could be had by the notes of individuals.

It is found, by a careful examination of the bank returns for fifteen years, ending with 1852, that for every dollar of tax paid by the banks in Boston, there has been \$1 63 received for interest on their circulation, and by the banks out of Boston, \$3 19, or nearly twice as much.

Without going into a consideration of the great inequality between the city and country banks, caused in part, it is believed, by the refusal to receive the bills of the latter, except with the discount of one day's interest, it is sufficiently apparent that the tax upon the bank capital, even in Boston, is no hardship, and that on the contrary, if properly adjusted, it might be increased.

The purpose of legislation in relation to banks, regarding primarily the interest of the whole, rather than of the few, would be to secure the safest and widest circulation for the bills issued, and the largest amount of revenue possible therefrom.

Past experience proves, that with a very large and sudden addition to banking facilities, there may be danger of over-action and consequent revulsion, which, though not in all cases tending to absolute destruction of property, disturbs its rightful possession, and leads to great embarrassment and distress, and hence has arisen a very prevalent feeling that some change should be made in our banking laws, to provide, if possible, against the recurrence of such evils.

This was proposed to be done by the general act of 1851, which allowed any persons complying with the required conditions, to establish banks and issue bills. Owing to the impracticable nature of the conditions imposed as to the issue of bills, there has been no action under the law, so far as that portion of it is concerned; nor is it at all probable there will be.

The principle involved, which is, that the parties creating the currency shall secure its redemption, through the power granting the right, still remains good, and I do not see any greater objection to holding the officers of a bank directly responsible to the commonwealth for the performance of that portion of their duty which they perform as its agents, than would exist in the case of any other public officer.

As a question of revenue simply, it is of the gravest importance, that after having had a very considerable increase, and graduated our expenditures accordingly, we should not have a recurrence of the disasters of 1837, when the tax went suddenly down from \$379,000 to \$341,000, and then to \$304,000, from which point it gradually came up to \$443,000, the amount for 1853.

For the present year, the addition will be over \$100,000, and we may safely consider whether or not there is danger in going further in the same direction, without some security for the redemption of bills issued, beyond what now exists.

That question will be duly considered and reported upon by the proper committee, and it is, therefore, unnecessary to go further with the subject here. I only desire to express my belief that the amount of banking capital can be safely increased, and that a larger per centage of tax might be raised than the present, without any injustice, especially if the tax should be imposed upon the circulation, and the usury law repealed, so that the rate of interest should be fixed by the parties, and sustain some kind of relation to its value as determined by the supply and demand.

The question in relation to the rate of interest will arise again in the consideration of the loans made from the commonwealth's funds, which, if they were put into the market, would bring at least 50 per cent. more than is now realized.

---

**STOCK LOANS.**—Judge Oakley, in the Superior Court, decided, recently, a commercial case of much importance. The action was brought for the recovery of \$2,614 73, being the amount of several notes and drafts given as collateral security for a loan of \$2,000 obtained by the plaintiffs from the defendant, on the ground that the loan was usurious; and in case the loan should not be held to have been usurious, to recover \$614 73, being the excess of the collateral over the amount loaned. At the trial, the plaintiffs abandoned the plea of usury, and claimed only the excess of the amount of the collaterals over the loan, (\$2,000, with interest) The \$2,000 was not paid at the maturity of the loan, and the defendant sold the notes, after notice, in the market, for just sufficient to recover the amount lent. The judge held that the defendant was bound to hold the collateral notes until they matured, and collect them in the usual way; and any deficiency or excess should be accounted for. In previous transactions of this description, the usage has been to sell the notes in case of default of payment on the part of the borrower. The question is a new one, never having before been decided in our courts.



## STATE FINANCES.

## 1. VIRGINIA.

Continued from page 656, February No.

In addition to the direct liabilities of the State of Virginia, before enumerated, the State has guaranteed the payment of bonds issued by the following corporations, amounting in the aggregate to \$3,906,874.

I. James River and Kanawha Company,.....	\$2,260,000
II. Chesapeake and Ohio Canal Company,.....	500,000
III. City of Petersburg, for South Shore Rail-Road,.....	323,500
IV. Valley Turnpike Company,.....	8,374
V. Virginia Central Rail-Road Company,.....	100,000
VI. Richmond and Danville Rail-Road Company,.....	200,000
VII. City of Wheeling, subscription to the Baltimore and Ohio R. R. Co.	500,000
VIII. Alexander Canal Company and Corporation of Alexandria,.....	15,000

Total bonds guaranteed by the State,..... \$3,906,874

The Auditor of State reports that the State is amply secured against loss on account of these guarantees, by mortgages and otherwise; except in the case of the Chesapeake and Ohio Canal Company. For the annual interest on these bonds, say six per cent. on \$500,000, the State will have to provide for some years to come.

The estimated amount of the sinking fund for internal improvements is \$572,973. The funds and resources of the Commonwealth of Virginia are held to be \$21,317,484 96, viz.:

Held by the Commonwealth proper,..... \$2,619,945 83

## 1. Fund for internal Improvements, viz.:

Stocks in banks of the State,.....	\$3,495,150 00
Loans to James River and Kanawha Company,.....	1,984,645 33
Loans to sundry internal improvement companies,.....	1,700,000 00
Stocks in other companies,.....	1,076,376 30
	<u>\$8,256,171 63</u>

## 2. Stocks in improvements not completed, viz.:

Rail-road Companies,.....	6,577,107 84
Navigation Companies,.....	3,446,516 86
Plank Road Companies,.....	141,738 34
Turnpike Companies,.....	664,801 94
Bridge Companies,.....	20,620 00
	<u>\$10,850,784 98</u>

## 3. Stocks in improvements completed, but unproductive, viz.:

Rail-road Companies,.....	385,600 00
Navigation Companies,.....	598,575 11
Plank Road Companies,.....	95,000 29
Turnpike Companies,.....	1,104,352 95
Bridge Companies,.....	27,000 00
	<u>\$2,210,528 35</u>

Total stocks held by the Commonwealth,..... \$21,317,484 96

The Auditor remarks upon the above funds and the redemption of the public debt as follows :

"That a very considerable amount of the stocks held in internal improvement companies, the works of which are either finished or incomplete, will gradually become productive, is confidently believed. These stocks are principally in rail-roads passing through, and stretching towards, the most populous and wealthy or fertile portions of the Commonwealth; and when completed, will become national thoroughfares over which a great portion of the trade and travel of the Union will pass. It will not, therefore, be deemed extravagant to estimate the increased value of productive investments for the two years from the 30th September, 1853, at \$2,000,000. Taking, therefore, the present amount of the public debt, and the probable increase of the same, estimated in this report for the two years, and the public debt on the 30th day of September, 1855, less the amount of cash on hand obtained by loan, the amount which will be redeemed on that day by the sinking fund, and the value of productive investments supposed to be in existence at the same time, will be about fourteen millions of dollars.

"If the practical operation of the constitution, and the law establishing the Sinking Fund, is, as it is confidently believed to be, it will accomplish the redemption between the years 1852 and 1886, of the whole amount of the public debt which existed on the 1st day of January, 1852. The debt existing on the 1st January, 1853, will be redeemed in the year 1887, and hereafter the debt of the State will be redeemed within thirty-four years from the date of the bond representing said debt. It is therefore estimated, that on the 1st day of January, 1887, there will have been redeemed an aggregate of \$14,934,525 30 of the public debt of the Commonwealth; and, at that time, the revenue derived from productive stocks, if they are not disposed of, will pay the entire interest of the debt which may then be in existence, incurred, or increased under laws now in force."

It will be seen by these copious extracts from the official reports, that the Commonwealth of Virginia has entered into a very extensive system of internal improvements, that will require large advances in the shape of State bonds. The increase of the public debt in the year 1852 was \$2,962,687, and in 1853 it was \$3,221,816, while the years 1854 and '55 will require upwards of six millions additional. State credit is a very nice subject to handle, and will require on the part of the old State the most careful management by its financial agents. Virginia six per cents. are now worth 103 a 105 per cent. in this market; but it will not do to force too large sums upon the market at one time. The Legislature unfortunately neglected to provide in season for the payment of the coupons of the Chesapeake and Ohio Canal Company bonds, due in July, 1853. This has been partially remedied since, by a special act; but the oversight shows a want of due caution on the part of the State officers. Public creditors should not be allowed to wait twenty-four hours for their valid claims.

The financial affairs abroad of the Commonwealth have not been

recently managed with due caution. They should be placed in the hands of experienced and capable financiers, who, in case of urgent need on the part of the State, could step forward and make adequate advances to sustain its credit.

## II. MASSACHUSETTS.

The total debt and liability of the Commonwealth, at the close of the year 1853, both on its own account and loans of credit to sundry rail-road corporations, from 1837 to 1842, was \$6,853,730 56, viz. :

1st. Scrip loaned to sundry corporations, including \$4,000,000 to the Western Rail-Road,.....	\$5,049,555 56
2d. Scrip sold to meet the State subscription, by 10,000 shares Western Rail-Road stock,.....	995,000 00
3d. Scrip issued on account of the cost, in part, of sundry public institutions, 1849 to 1853.....	575,000 00
4th. Unfunded debt for deficit in revenue since 1850, proposed to be paid by a State tax the present year.....	220,000 00
5th. Interest on rail-road and other scrip, due and not called for, Dec. 31, 1853.....	\$4,175
Interest on Norwich & Worcester Rail-Road scrip, due January 1, 1854.....	10,000
	<hr/> 14,175 00
Total.....	<hr/> \$6,853,730 56

### Resources.

The resources of the Commonwealth, including the bonds and mortgages taken to secure the payment of scrip loaned to sundry rail-road corporations, amount to \$11,092,457 61, viz. :

1st. Rail-road bonds and mortgages above named, standing against scrip loaned.....	\$5,049,555 56
2d. Public buildings and real estate, including alms house, &c., against \$575,000.....	2,077,796 07
3d. Western Rail-Road stock, sinking fund, &c., against the debt for \$995,000.....	2,653,425 08
4th. Massachusetts school and other funds, of which the income is specifically appropriated.....	1,311,680 90
	<hr/> \$11,092,457 61
Debt to be deducted.....	6,853,730 56
	<hr/> \$4,238,727 05

### Receipts and Expenditures, 1853.

The total receipts into the treasury, are.....	\$2,121,280 07
The total payments, are.....	2,184,454 95
	<hr/> \$63,174 88

The receipts, on account of ordinary revenue, are from

Bank tax, .....	\$443,340 00
Alien passengers, .....	81,008 51
Forfeited recognizances, Suffolk County, .....	4,709 70
Alien estates, .....	2,515 82
Insurance tax on foreign companies, .....	5,082 54
Income W. R. R. S. Sinking Fund, .....	35,951 21
Dividends on W. R. Road stock, .....	65,000 00
Miscellaneous, .....	8,076 54
	<hr/>
	\$595,684 32
State tax from \$300,000, in part, .....	286,605 00
	<hr/>
	\$882,289 32
Received, on account of Massachusetts school fund, loans, &c., .....	1,238,990 75
	<hr/>
Total, .....	\$2,121,280 07

#### Expenditures.

The payments from the treasury, on account of ordinary revenue, were for expenses of the government for council, legislature, salaries, printing, &c., including \$11,200 for scientific objects, ...	\$284,132 56
Asylum for deaf and dumb, blind, lunatic hospital, and other charities, including \$103,330 for State purposes, .....	148,905 79
County treasuries, for criminal costs, State reform school, militia bounty, &c., .....	168,574 80
Interest on Western Rail Road and other scrip, including, also, temporary loans, .....	81,194 72
	<hr/>
	\$682,827 87
Convention of 1853, in part, .....	\$154,184 82
State prison buildings and land, .....	40,551 01
	<hr/>
	194,735 83
Total payments for ordinary revenue, .....	\$877,563 70
Amount paid on account of Massachusetts school and other funds, loans, &c., .....	1,306,891 25
	<hr/>
Total payments 1853, .....	\$2,184,454 95

#### Receipts and Expenditures, 1834 to 1853.

The receipts into the treasury, on account of ordinary revenue, so called, including \$436,605 for State taxes in 1844, 1845 and 1853, have been .....	\$9,657,112 46
The expenditures during the same period, including \$562,500 for public buildings, weights and measures, revision of the statutes and convention of 1853, had been, .....	9,915,068 67
	<hr/>
Deficit for twenty years, .....	\$257,955 21

In 1834, one half the proceeds of sales of land in Maine were withdrawn from the revenue, and a school fund established, which now amounts to

over \$1,200,000, though liberal appropriations have been made from the principal and the interest apportioned annually among the common schools.

In 1837, the balance of the lands were diverted from the revenue, and a sinking fund created to meet the debt of \$995,000, for Western Railroad shares, due in 1857.

The fund now amounts to over \$1,100,000, and is more than sufficient to meet all demands upon it, including \$100,000 of the scrip for public buildings.

The entire debt of the State not actually provided for, including \$220,000 proposed to be paid in 1854, is \$695,000.

To meet this, the Commonwealth has not only the Western Railroad stock, (the debt for which will be paid, as above stated,) but also the proportion of another sinking fund of \$1,250,000, which belongs to the corporation, and will, when the debt matures, be worth as much as the stock is now, as it is increased by its own income, and the addition of \$50,000 per annum from the earnings of the road.

The State has no interest in any other enterprises, except so far as the loans go; but loans are to be effected by the several corporations or individuals, who are thus left free to manage their own affairs.

The rail-road, alone, has cost over sixty millions of dollars, and the entire property of the State is valued at \$800,000.

*Receipts and Expenditures, 1834 to 1853, inclusive, on account of ordinary revenue.*

<i>Year.</i>	<i>Receipts.</i>	<i>Expenditures.</i>	<i>Deficit.</i>	<i>Surplus.</i>
1834,.....	\$409,967 96	\$362,380 41	....	\$47,587 55
1835,.....	447,679 25	494,438 37	\$46,759 12	....
1836,.....	406,626 22	435,456 10	28,829 88	....
1837,.....	478,238 78	510,460 52	32,221 74	....
1838, .....	422,233 17	490,433 74	68,200 57	....
1839,.....	413,278 54	481,195 47	67,916 93	....
1840,.....	405,741 64	407,942 66	2,201 02	....
1841,.....	416,970 41	398,950 13	....	18,020 28
1842,.....	433,804 34	357,735 73	....	76,068 61
1843,.....	381,568 31	370,364 58	....	11,203 73
1844,.....	394,099 14	413,560 83	19,461 69	....
1845,.....	505,547 49	416,443 02	....	89,104 47
1846,.....	502,025 34	421,125 31	....	80,900 03
1847,.....	500,831 83	478,755 68	....	21,576 20
1848,.....	508,394 79	548,674 92	40,280 13	....
1849,.....	490,903 71	566,804 23	75,900 52	....
1850,.....	492,810 64	566,055 54	73,244 90	....
1851,.....	566,432 09	642,105 41	75,673 32	....
1852,.....	598,170 49	674,622 37	76,451 88	....
1853,.....	882,289 32	877,563 70	....	4,725 62
	<hr/> \$9,657,113 46	<hr/> \$9,915,068 67	<hr/> \$607,141 70	<hr/> \$349,186 49

*Different Classes of Expenditure each year, from 1834 to 1853,  
inclusive.*

<i>Year.</i>	<i>Expenditure of Government.</i>	<i>Educational and Scientific.</i>	<i>Charities.</i>	<i>Correctional.</i>	<i>Interest.</i>
1834,....	\$208,013 04	\$9,967 66	\$91,349 66	\$45,540 75	\$7,509 30
1835,....	317,192 01	9,382 30	94,845 72	68,501 18	4,517 16
1836,....	236,122 54	14,528 39	88,409 52	89,212 00	7,183 65
1837,....	296,929 02	13,365 36	93,180 00	88,773 59	18,212 55
1838,....	253,542 31	19,958 26	82,899 90	108,904 67	25,628 60
1839,....	235,300 38	31,561 58	73,300 37	104,411 62	36,621 52
1840,....	207,622 24	29,960 69	69,436 43	72,450 28	28,473 02
1841,....	180,864 00	24,922 16	82,502 75	71,187 39	39,473 83
1842,....	167,376 07	16,170 93	73,543 89	55,068 84	45,576 00
1843,....	160,136 66	9,964 72	80,200 11	68,833 60	56,229 49
1844,....	154,735 12	17,773 12	97,114 97	72,348 78	71,588 84
1845,....	158,540 31	15,787 27	90,681 27	91,540 34	59,893 83
1846,....	194,246 98	10,666 87	86,642 38	74,926 39	54,642 69
1847,....	204,328 26	10,817 72	94,132 25	115,392 90	54,084 50
1848,....	230,017 47	7,453 95	118,034 57	188,179 66	54,989 27
1849,....	232,582 95	6,634 00	138,032 71	127,217 11	62,337 46
1850,....	217,500 00	7,500 00	161,000 00	122,000 00	58,055 54
1851,....	308,835 94	7,805 00	145,169 10	115,931 69	64,363 68
1852,....	295,403 79	10,500 00	147,261 36	149,111 95	72,345 27
1853,....	427,017 38	11,300 00	148,905 79	209,145 81	81,194 72
	<u>\$4,686,306 47</u>	<u>\$286,019 98</u>	<u>\$2,056,142 75</u>	<u>\$1,983,678 55</u>	<u>\$902,920 92</u>

From an examination of the financial reports of the past twenty years, it will be found that the following extraordinary payments have been made from the treasury during that period, of which \$830,000 was from ordinary revenue, viz. :

State Lunatic Hospital, at Worcester,.....	\$150,000 00
State Reform School, at Westborough,.....	113,000 00
State Prison, at Charlestown,.....	174,500 00
New Lunatic Hospital, at Taunton,.....	150,000 00
State Almshouses,.....	165,000 00
Enlargement of State House,.....	65,000 00
Weights and measures for towns, &c.,.....	52,000 00
Total, including unexpended balances for Hospital, &c.,.....	<u>\$869,500 00</u>
Revision of Statutes in 1835,.....	\$100,000 00
Constitutional Convention in 1853,.....	154,000 00
Educational and scientific purposes, including State surveys,....	286,000 00
	<u>540,000 00</u>
	<u>\$1,409,500 00</u>

In addition to the foregoing, there has been paid for sundry charitable objects, including the support of State paupers, over two millions of dollars, or at the rate of \$100,000 per annum, while the entire proceeds of the sales of lands in Maine have been withdrawn from the revenue, and placed in the school and sinking funds.

The debt remaining unprovided for, is as follows, viz.:

On account of State Reform School, &c., .....	\$475,000 00	
Temporary loans, 1853, .....	220,000 00	
		\$695,000 00
Raised by State tax, viz.:		
Taxes, 1844 and 1845, .....	\$150,000 00	
Taxes, 1853, .....	286,605 00	
		436,605 00
Total extraordinary means provided, .....		\$1,131,605 00
Payments extraordinary made during the time, not including educational and scientific expenditures, .....		1,123,500 00
		\$8,105 00

One hundred thousand dollars of the debt on account of the New Lunatic Hospital is provided for, as is also all the \$995,000 for 10,000 shares Western Rail-Road stock, leaving but \$695,000 as before stated, against the public property, which has cost \$809,500.

If, as has been heretofore assumed, a State tax should be imposed to pay the temporary loan of \$220,000, there would remain \$475,000 of funded debt, which might safely be increased to \$600,000, if necessary, for the completion of the State House enlargement, &c.; especially if the Western Rail-Road stock, or the proportion of the sinking fund belonging to it, should be set aside for its final payment,—*Auditor's Report.*

### III. LOUISIANA.

From the reports of the Auditor of Public Accounts, Hon. Louis Bordelon, and the State Treasurer, Hon. Charles E. Greneaux, we find the fiscal condition of the State to be as follows:

The receipts into the treasury during the past year, from all sources, have been .....	\$2,148,487 75
The balance in the treasury, Jan. 1, 1853, was .....	359,704 84
Total means within the year .....	\$2,504,172 49
The payments during the year were .....	1,340,443 30
Leaving a balance in the treasury, Jan. 1 .....	\$1,164,668 08

There is a discrepancy between the two reports, the Treasurer making the sum total \$2,448 78 less, on account of commissions he claims under the Swamp Land act.

A great proportion of these receipts have been derived from extraordinary sources, and which, when analyzed, do not show the revenues of the State to be in as favorable a condition as could be desired. The late legislature borrowed \$100,000 to pay current expenses, the treasury being then empty. It also ordered an issue of \$750,000 of bonds to replenish the treasury, making \$850,000. This shows where the excess over last year comes from. \$155,259 27, the State's final share of the surplus profits of the Union Bank, have also been received, besides some \$20,000 from temporary sources. The treasury will not show the benefit of the increased rate of taxation adopted by the last legislature, until next year. It is believed, that the revenues will then be ample for ordinary purposes, and to make provision for the liquidation of the State's liabilities.

The taxes collected from New Orleans are set down as follows:

For State taxes proper,.....	\$77,479 89
Auction duties,.....	23,455 25
Mill tax,.....	70,198 82
Poll tax,.....	7,507 00
Tax on trades, professions, etc.,.....	69,844 50
<b>Total .....</b>	<b>\$248,474 46</b>

The remainder of the State pays for the same objects \$464,227 79. The Auditor also gives other statements, in detail, which are not necessary to a general understanding of the report, which is able and lucid as it is elaborate.

The State Treasurer is of opinion that the condition of the treasury will now admit of the redemption of the debt of 1855-'57, to invest the surplus in good securities in the Swamp Land Fund, and set aside \$100,000 each year, as a fund to liquidate the State debt, besides paying the trust funds the sums which have been borrowed.

The reduction of \$804,000 of Union Bank bonds, during the year, was only nominal, the bank having paid the money. The withdrawal by the Second and Third Municipalities of \$188,160 of State bonds issued to them, and the payment of \$200,000 borrowed, to the Louisiana State Bank. Total reduction, \$1,192,160. It has been increased by the loan of \$750,000, by bonds issued for trust funds, for \$284,559 91, and by bonds to the rail-road companies, \$302,000. Total addition, \$1,336,559 91. Increase of the debt for the year, \$144,399 91.

The aggregate State liabilities sum up thus:

Liabilities for the property banks, .....	\$8,421,888
For the Second Municipality of New-Orleans,.....	198,244
	<hr/>
	\$8,620,132



For these amounts the State has good security. The State debt proper is—

Trust funds due on demand,.....	\$1,221,809 41
Bonds due 1855,.....	\$50,000
“ 1857,.....	250,000
“ 1867,.....	483,000
“ 1869,.....	30,000
“ 1870,.....	90,000
“ 1872,.....	125,000
“ 1893,.....	1,046,000
Bond debt,.....	3,074,000 00
Total State debt proper,.....	\$4,295,809 41

The whole amount belonging to the school fund, owing by the treasury, is \$343,972 57 for capital, and \$43,756 11 for interest. The seminary fund has \$212,071 64 for capital, and \$18,456 32 for interest.

## THE PUBLIC DEBT OF RHODE ISLAND.

By JOHN W. RICHMOND.

In the financial history of Rhode Island, so far as it relates to her expenses in defence of the country, in the revolutionary war, the records of State and the treasury show the following facts:

From May, 1775, to September, 1776, paper money was issued, amounting to \$300,003, all redeemable at the treasury at specified times, and at specified rates of interest—the sums so emitted having been mostly appropriated and expended for the support of 4,800 troops raised by the State from May, 1775, to January, 1776, inclusive. The paper money was therefore in the hands of the whole community as a just claim against the State. This paper money was subsequently called in, interest added, and notes given, payable at the treasury at a stated time, and at a specified rate of interest. Subsequently, the State created other large liabilities for services and supplies, money hired, half pay to officers and soldiers who were slain or died in the service, and a great variety of other valuable considerations; for which, State notes were, by order of the Assembly, given by the treasurer. For every liability thus created, charges were made by the State against the United States, and all were allowed in the final settlement in 1793. Most of these notes against the State did not hold a par value with specie. The State, by several acts of Assembly in 1782, ordered the general Treasurer to call in all notes and securities issued from the treasury prior to this date, (originating from whatever consideration,) to consolidate them to a specie value agreeably to a scale of depreciation established by the State, and give his notes, payable with interest, in *lawful silver money*.

In 1786, the State ordered an issue of £100,000 paper bills (not money.)

These were divided out to the whole people of the State, and were of the following form, viz. :

"No. 9,862. Two shillings and six pence. State of Rhode Island," &c.

This bill is equal to two shillings and six pence, in lawful silver money, and shall be received in all payments within the State, agreeably to an act passed by the General Assembly of said State, at their May session, holden at the city of Newport, A. D., 1786.

2s. 6d.

S. ALLEN, }  
N. KNIGHT, } *Committee.*

They were not redeemable at the treasury, or elsewhere, nor did they carry an interest. In March, 1787, an act passed ordering the holders of notes (consolidated to specie value in 1782, carrying an interest and payable at the treasury) to bring them into the treasury and receive one fourth part thereof in the irresponsible, depreciated paper bills of 1786, carrying no interest, and payable nowhere; and to add to these acts of injustice, a decree of forfeiture was made against all claims not thus surrendered. Less than one half of the specie notes of 1782 were brought in, even under the penal condition of the act of 1786. All this was, however, done when individual and State bankruptcy darkened the whole country—when it was not expected that the United States could pay her debt to the State, or the State pay her debts to her own citizens.

Upon the adoption of the Constitution of the United States, and the establishment of Mr. Hamilton's funding system, a brighter prospect opened upon the financial affairs of the State. In August, 1790, by act of Congress, \$200,000 was appropriated to Rhode Island, in part of her revolutionary claims. The State, by act of Assembly, June, 1791, established a scale of depreciation on the paper bills of 1786, varying from 5 for 1, March, 1787, to 15 for 1, July, 1789; and ordered that all payments made on specie notes (surrendered by compulsion,) should be scaled down to a specie value—that specie value deducted from the whole note, and the residue be held as a specie claim against the State. Subsequently, in January, 1795, the United States paid the balance due the State; there was then in her treasury more than \$420,000. By act of Assembly, January, 1795, it was ordered that divers claims against the State be brought into the treasury, (a part of which were the unpaid portion of claims due on notes partly paid, March, 1787, and after,) that the treasurer make up the aggregate of principal and interest of the whole so brought in; and if it shall exceed the \$420,000 then in the treasury, he shall pay to each claimant his proportion of the said sum, and give a new certificate for the balance. But if the whole claims presented did not exceed the \$420,000, he shall pay the whole claims.

The amount brought in was.....		\$503,116 14
The payments made.....	\$419,228 21	
Balance certificates issued.....	83,887 93	
		<hr/> 503,116 14

June, 1797, an act passed, authorizing the renewal of certificates not presented in 1795. It was further ordered, that the treasurer pay two

years' interest on all to be issued under this act, and also on all heretofore issued under the act of 1795.

The balance certificates issued in 1795, and those issued under the act of 1797, and after, are the claims which the creditors of the State have, for ten years, at great labor and great expense, been praying the legislature of Rhode Island to provide for, and which the State as yet refused to do.

The final settlement of accounts between the State and the United States in 1793, shows the following facts:

Rhode Island is credited, for war expenses,.....	\$3,782,974
She is charged back sundry payments,.....	1,777,608
Net balance on advancements,.....	2,005,366
She is then charged her quota of war expenses,.....	1,505,755
Net balance to her credit,.....	\$499,611

This settlement was made on a consolidated specie basis, and makes the astonishing development, that Rhode Island actually contributed, during the eight years of the war, more than \$250,000 for each year. And where did she get it? It arose from money hired—from the services of her citizen soldiers—from State notes given the heirs of those who died or were slain in battle—from supplies furnished, and, as above stated, from a great variety of other valuable considerations; all of which were allowed and paid back to Rhode Island, January, 1792, and January, 1795, and appropriated in payment of her indebtedness to her own creditors; and it is a strange fact, that no opponent of State indebtedness has ever dared to utter the word quota from 1844 to 1854; well knowing that the quota paid by the State annihilates the whole opposition to the payment of certificates issued on good faith by acts and resolutions of the General Assembly. It is a part of the above stated quota which the creditors now ask the legislature to pay, the United States having paid their whole indebtedness to the State.

## COINS, COINAGE AND BULLION.

### *Annual Report of the Director of the United States Mint.*

MINT OF THE UNITED STATES, Philadelphia, January 27, 1854.

SIR,—I have the honor to submit the following report, in compliance with the Act of Congress of the 18th January, 1837:

The coinage, including gold bars, executed at the Mint in Philadelphia, in 1853, has amounted to \$60,111,249 72; of which \$36,355,021 were in gold coins, \$15,835,997 94 were in refined gold bars, \$7,852,571 were in silver coins, and \$67,059 78 in copper coins. This coinage was comprised in 69,775,537 pieces; being more than twice the number of pieces ever before struck in the Mint in a single year. The deposits received were \$53,315,632 64 in gold, and \$8,367,339 in silver, including silver purchases made pursuant to the Act of March 3, 1853; making a total of \$61,682,971 64.

The coinage at the Branch Mint at New Orleans amounted to \$3,445,000; of which \$2,220,000 were in gold coins, and \$1,225,000 in silver. The number of pieces struck was 6,532,000. The deposits were \$2,152,254 16 in gold, and \$4,536,131 06 in silver, including silver purchases; total, \$6,688,385 22.

The coinage at the Branch Mint at Charlotte, North Carolina, amounted to \$339,370 in gold, comprised in 77,086 pieces. The deposits were \$305,157 06 in gold.

The coinage of the Branch Mint at Dahlonega, Georgia, amounted to \$462,918 in gold, comprised in 99,439 pieces. The deposits were \$452,289 76 in gold.

The total coinage of the Mint and its branches, for the year 1853, was as follows:—Gold, \$55,213,908 94; silver, \$9,077,571; copper, \$67,059 78. Total, \$64,358,537 72.

It may be interesting to state, that one million of dollars weighs, in gold, 3,685½ lbs. avoirdupois, and in silver, 54,857 lbs. If 2,000 lbs. be taken as the ton, it will be seen that our coinage operations during the last year reach about one hundred and two tons of gold and two hundred and forty-nine tons of silver.

The amount of gold, of domestic production, deposited at the Mint and its branches, during the last year, was \$55,622,051; of which sum \$55,113,487 was from California, and the balance from the Atlantic States, except a few deposits from Oregon, of the value of \$13,535. These were the first deposits from that territory, and are characterized by having an appreciable per centage of platinum sand.

The silver parted from the gold from California, amounted to the sum of \$407,133. In addition to which there was received other silver of domestic production to the value of \$10,146.

At the principal Mint, several deposits of Australian gold have been made during the last year, amounting to \$195,000.

The entire coinage at the several Mints, from the time they commenced operations, is as follows:

Mint at Philadelphia, (1793),.....	\$322,228,868
Branch Mint at New Orleans, (1838),.....	50,497,665
Branch Mint at Charlotte, (1838),.....	3,790,038
Branch Mint at Dahlonega, (1838),.....	5,280,728
Total at all the Mints,.....	\$381,797,299

I annex to this report several tabular statements exhibiting the foregoing results, somewhat in detail, and presenting some other statistics respecting the operations of the Mint.

The diminution of the standard weight of the half dollar and lower denominations of silver coins authorized by the act of March 3, 1853, has been attended with good results. Under its operations we have had a large supply of silver bullion, and the silver coinage of the new issue has reached the sum of \$8,654,161, which is a larger amount than was struck during the five years preceding. Several millions of silver coins have thus been added to the currency; and if the circulation of small

notes could be excluded, so as to render the supply necessary, in a short time the new coin would be in general use in every part of our country. The appreciation of silver rendered this alteration necessary. The silver coins of the former standard were issued at the rate of 116  $\frac{1}{4}$  cents per ounce. The average price of silver of like fineness, at London and Paris, for several months past, has been 121 cents per ounce. It is very evident, therefore, that coin issued under the former standard would be withdrawn from circulation, and we would have no silver currency, except the old and much worn Spanish fractions of a dollar, the value of which has diminished from 10 to 20 per cent.

It is proper to remark, that some misapprehension has prevailed in regard to the alteration in the silver coin. The idea is erroneously entertained by many persons that the fineness of the silver used in the new coin is below the former standard. The only change, however, is in the weight; the half dollar being now fourteen and a quarter grains below the former standard weight, and the smaller coins in the same proportion. In England, since 1816, a silver currency has been maintained by similar means. There the depreciation of silver below gold, at the prices which ruled when the standards were adjusted by law, may be stated at 11 per cent. Our depreciation below the former standard, as compared with gold, is nearly 7 per cent. The profit to the British Mint, when dollar silver is sold at five shillings per ounce in the London market, (which is an average price,) is seven per cent. If we bought silver at the same rate, our profit would be not quite three per cent. But as our price of silver is 121 cents per ounce of standard fineness, there is an advance of 3  $\frac{3}{8}$  per cent., the new coin being issued at the rate of 125 cents per ounce. The apparent profit to the government is, therefore, four cents per ounce, but from this must be deducted certain expenses and wastage.

As soon as the wastage of the last year is determined, a report on the subject will be presented to the Treasury Department.

A charge of the half of one per cent. on the gold coinage is authorized to be made from and after the 1st of April last. The amount of these charges at the Mint and branches, is as follows: At the

Mint at Philadelphia,.....	\$109,265 41
Branch Mint at New Orleans,.....	6,684 00
Branch Mint at Dahlonega,.....	1,816 00
Branch Mint at Charlotte,.....	1,182 00

Total at all the Mints,..... \$118,947 41

These sums will be transferred to the Treasury of the United States, pursuant to the 6th section of the act of Congress, before referred to.

The three dollar gold coin authorized by the last Congress will be issued as soon as the dies now in progress are completed. From the close approximation in weight and value which this coin will have to the quarter eagle, it has been deemed expedient to make the devices upon it different from any coin heretofore issued. The device adopted for the *obverse* is an ideal head, emblematic of America, enclosed within the national legend. The *reverse* will present a wreath, indicating the most prominent productions of our soil, and enclosing the denomination and date of the coin.

The branch Mint at San Francisco, California, it is expected, will be ready to receive deposits and commence operations about the 1st of March next. In consequence of a change in the grade of the street on which the building is being erected, more time will be consumed in its completion than was anticipated. The machinery, which was constructed in Philadelphia, arrived there in good condition on the 12th of December last, but a portion of the fixtures and apparatus had not arrived on the 30th of December, the date of my last advices, the vessel containing them having then been out one hundred and forty-five days. These circumstances will probably delay the commencement of coining operations until the time above stated. The coins to be issued by this branch of the Mint will be designated by the letter S on the reverse. It is proper to remark that the coins of the other branches are designated as follows: New Orleans, by the letter O; Dahlonega, D; Charlotte, C; the coins of the principal Mint are not marked by any letter.

The building which is designed for the Assay Office at New York, will be erected and completed in April next. The machinery, apparatus and implements will be ready for use as soon as the building is prepared to receive them. We may, therefore, expect operations to commence on the last of April or in the early part of May next.

The result of the overtures recently made, to artists and other persons of taste, to present designs for the silver coinage, has not been satisfactory. Many designs and some medallions were presented, some of them of considerable merit, but their general deficiency consisted in a want of adaptation to the object in view. In making any important change in the devices of the coinage, it seems proper that those which are to be substituted should be of decided and incontestable superiority. The result of the effort has thus produced a conviction favorable to the designs heretofore adopted and in use; our attention will, therefore, be turned to their artistic improvement, without materially changing their national or emblematic character.

The disturbance of the relative values of gold and silver, and the consequent effects upon national and international currencies, upon coinage, and upon pecuniary contracts, is a very large inquiry frequently under discussion in commercial circles, in the public prints, and in halls of legislation. I barely allude to the subject, without entering upon it farther than to offer one or two practical suggestions. According to well-considered estimates, the production of the gold and silver mines of the world, at the commencement of the present century—not taking into account those countries of Asia which were nearly shut out from the intercourse of nations—was in the proportion of *one* ounce of gold to *forty-six* ounces of silver. Immediately before the opening of California, it had probably changed to *one* ounce of gold against *seventeen* ounces of silver. An average of the productions of the years 1852 and 1853, upon the same broad scale, appears to give a result of one ounce of gold to less than *four* ounces of silver. And yet, from the first of these periods to the last, there has been no great divergence in the bullion market, from the relative proportion of one ounce of gold to sixteen ounces of silver. Surely this striking fact ought to allay the feeling of

alarm so often experienced as to the abundant production of one metal and the diminished supply of the other. There is in fact a happy *accommodation* in the commercial world to these varying relations. When gold was scarce, silver was the great metallic basis, and the former metal was rather used as an adjuvant, specially adapted to some of the wants of trade. But since gold has become plenty and silver comparatively scarce, the wealthier nations of the world have taken gold as their prevailing currency, making silver only a subsidiary one, just as copper is to silver. Now, as the purpose of "making change" does not require a very large stock of metal, in comparison with the larger purposes of money, it follows that silver is by no means as much needed as formerly; and here we have the very remarkable, almost enigmatical sequence, that silver is valued less *because* it is less produced. The very general adoption of small gold coins, such as our dollar, and even the half of that, if it were practicable, would still further throw silver out of use, and consequently keep down its value. Large quantities of it will always be needed for plate and for ornamental work; but even in this, the growing use of electro-plated ware, in England and in our own country, is sure to have a counteracting effect. And here it will be interesting to state, that the greatly diminished cost of mercury, which is an indispensable agent in the production of silver, is certain to have a large effect in increasing that production. The monopoly of mercury, by which its price was advanced one hundred per cent., and consequently the mining of silver greatly impeded, has been dispelled by the opening of the rich cinnabar mines of California, and the price has receded to the old quotation. Silver mines that have been abandoned can, from this cause, be re-opened, and a greater activity may be expected in those which have been kept constantly in operation. But while the commercial or social accommodation, before spoken of, and the probable increase in the production of silver just noticed, may be relied upon to prevent any such violent irregularities, as would be denoted by balancing seventeen ounces of silver at one time, and at another time only four ounces, against one ounce of gold, yet there will constantly be a varying per centage of fluctuation; and this will sometimes be so great as to compel a legal modification of standards and a consequent re-coinage at the Mint. And although our own standard of silver has so lately been changed to suit the market, there is reason to fear that the reduction of weight was not sufficient, and that another re-coinage, at no distant day, may become necessary. This, however, is a part of the use for which a National Mint is maintained, and for which it should always be in readiness.

It is now due to us, as the great gold producing nation, that our currency should be purged from all bank notes below the denomination of the double eagle. Such a remedy, by increasing the uses of gold, would, doubtless, mitigate any inconvenience arising from the large production of that metal, and aid us in arriving at the just conclusion that all fears of excessive returns from California and Australia may be put to rest. If the notes under twenty dollars were withdrawn, their places would be supplied by specie, and thus the currency would further approximate to the wholesome standard contemplated by the framers of the Constitution

of the United States, and also tend to release the trade and commerce of the country from the adverse influence of banks of issue. As these institutions are created by the authority of the States, perhaps the only remedy in the power of Congress to apply, is that suggested by Mr. Gallatin, who, in view of the right of taxation, says, that "Congress may, if it deems proper, lay a stamp duty on small notes, which will put an end to their circulation."

It seems appropriate to my official position that I should take this opportunity to join in the urgent demand from various quarters for a simple, intelligible, and well-founded system of weights and measures. The Mint has done as much as it can, (and in this step it has been followed by the Bank and Mint of England,) in repudiating pennyweights and grains, in the mode of weighing and keeping accounts, using only the troy ounce and its decimal fractions. The sanction of law had previously been obtained for doing away with carats and carat grains in the expression of fineness of gold, and of an equally cumbrous notation for the fineness of silver, substituting the simple millesimal form introduced by French assayers, and becoming general in Europe. But we are still annoyed with another standard of weight—the avoirdupois pound, with its tedious and arbitrary divisions. The establishment of a simple and uniform system, applicable to every kind of weights and measurement, is greatly to be desired, and is well worthy the attention of Congress.

I have the honor to be, with great respect,  
your faithful servant,

J. ROSS SNOWDEN, *Director*.

TO THE PRESIDENT.

---

#### THE ORIGIN OF AUSTRALIAN GOLD.

Now that we have been for two years and a half familiarized with the astonishing discovery of Australian gold, we are beginning gradually to attain some knowledge of the discoveries. The mineralogical Columbus has already taken a mythic shape—sometimes assuming, according to the varieties of the legend, the form of a German Count, sometimes of an English Knight, sometimes of a Californian miner, sometimes of a Botany Bay convict of the most felonious description, and sometimes of an orthodox divine of the Church of England. For the benefit of some future Niebuhr, who will probably extract from it much meaning and significance, as bearing on the state of Australia a few thousand years hence, we propose to record the legend in its most authentic form, leaving posterity to discover the particular significance of the *dramatis personæ*, and what allegorical meaning lurks under the names of "the Count," "the Knight," "the miner," "the convict," and "the parson."

The first in order of time—who may be said to bear the same ratio to Mr. Hargreaves as Prince Madoc did to Columbus—was a convict, who declared himself to have discovered gold, but, failing to point out the



spot of the discovery, received, with that injustice which so frequently waits on great men, 150 lashes, such as lashes were in those days in Botany Bay, for his pains, and was condemned to wear a smock frock with the letter "R" worked upon it—so little flattering was the first commencement of metallurgical research on the new continent. While deploing the misfortunes of this ingenious person, we are bound to say that his claim to any discovery at all is something more than questionable, not only on account of his own assertion—to which, probably, a discriminating public may feel justified in not attaching much weight,—but because he claimed to have made his discoveries in the immediate neighborhood of Sydney, where we are not aware that any subsequent investigation has demonstrated the presence of the precious metal.

The next claimant for the honor of discovering Australian gold is the distinguished German traveler, Count de Strzelecki, who did undoubtedly discover the existence of gold in the Australian colonies as early as 1839. In a speech made by Mr. James M'Arthur, in last October, in the Sydney Legislative Council, it is stated that Count de Strzelecki exhibited specimens of gold, found by him in the district of Wellington, to the then Governor, Sir George Gipps, and many other gentlemen. What follows we give in the speaker's own words:—"Count de Strzelecki frequently told him, in private conversation, that an extensive gold field existed in the Bathurst district, but Sir George Gipps had requested him to keep the secret, as from the penal condition of the colony in those times, the making known such a discovery might have been attended with serious consequences. Mr. M'Arthur also produced a letter from Count Strzelecki, of the 26th of October, 1839, in which he mentions his having discovered gold in specks in silicate. But this Leibnitz had also his Newton. Without any knowledge of Count de Strzelecki's discoveries, the Rev. Mr. Clarke had come to a similar conclusion in 1841—a conclusion, however, which was not made public for similar reasons. In 1844, Sir Roderick Murchison was led by scientific considerations of the geological structure of Australia, and by a comparison of specimens furnished to him by Count de Strzelecki, with others obtained by himself from the Ural Mountains, to believe that extensive gold fields were to be found in Australia, to urge the unemployed Cornish miners to seek their fortune in this promising region, and to place on record his opinion in the volumes of the Royal Geographical Society and of the Royal Geological Society of Cornwall. From that time forth till 1851 specimens of native gold were exhibited in the windows of the jewellers' shops in Sydney, and a general impression existed that somewhere in the remote interior it might be met with in large quantities. It is only due to Mr. Hargreaves, however, to say that, by applying the practical knowledge he had gained as a miner in California, he first carefully tested the existence of the metal in quantities sufficient to make it worth looking after, and, by addressing himself to the public instead of the government, put it out of the power of the colonial bureaucracy to stand any longer between the world and this great discovery. For this great service he has at length received the tardy and not very liberal remuneration of ten thousand pounds; and the man who has opened exhaustless treasures, such as Eastern fable never

dreamt of, to the possession of this country, has been presented with a moderate competence as the reward of a secret, which had he sold it, would have been cheaply purchased at a million.

As we have described the matter, there is nothing incompatible in the claims of the different discoverers. The convict imagined the thing; Count de Strzelecki and Mr. Clarke ascertained it by examination; Sir R. Murchison deduced it from theory; and Mr. Hargreaves re-discovered it, and gave it publicity and a practical form. As far as the competition among these persons goes, there is nothing more to say, but a few reflections will suggest themselves as to another of the actors in this remarkable drama. What would have been the history and what the state of the world at this moment if Sir George Gipps had not, from views of the most narrow, temporary, and provisional expediency, stifled the great discovery which Count de Strzelecki had communicated to him? What advancement of trade, what increase of commerce, what stimulus for all the arts of peace, what augmentation of the general happiness of the human race? The population of Australia would probably count ten to one of its present numbers, and the trade with so large a population would have directed a stream of almost boundless wealth to our shores. Who can tell what might have been the effect of this discovery at the time of the Irish famine, or how much of the labor which perished in the workhouses of the West might have been now producing in comfort and affluence all the elements of wealth? It is a melancholy reflection, that all these advantages, and a thousand others that would have flowed from them, should have been so long lost to the world, and all for fear that a few thieves should benefit by the discovery!—*Times*.

THE FRENCH MINT.—The Official Report of the French Minister of Finance remarks as follows upon the Revenue and the Coinage :

“ The year 1853 will have witnessed almost the entire renewal of our coin, and France will have the finest collection of money in the world. The great operation of the recoinage of the copper money is being carried out without the least difficulty, and to the great satisfaction of the people, who see with gratitude a coin, light and admirably executed, substituted for the common and clumsy pieces which served for their transactions. All the different pieces of the copper money have been prepared, and on the 31st December last the total amount in circulation was about five millions. Measures have been taken for causing this operation to be rapidly accomplished, and there is no doubt at present that it will not impose any charge on the Treasury. The pieces of silver, with the effigy of the Emperor, are in course of issue, with the exception of the piece of 5f., which is about to appear. The pieces of 20f. and 10f. in gold are being issued; and that of 5f. will be coined shortly. In recently decreeing the coining of 5f. gold pieces, your majesty has provided for the wants of circulation, and powerfully contributed to calm the apprehensions which the abundance of gold caused some persons to entertain.”

**ATTEMPT TO GIVE CURRENCY TO FOREIGN COINS IN CHINA.**—An effort is now being made at Canton to give currency to all foreign silver coins. The Spanish dollars are the only ones heretofore received by the Chinese at par. In connection with this subject, an intelligent correspondent of the *Hong Kong Register* says:

"The Spanish pillared dollar was the first coin introduced into the China trade, and its value being ascertained, the Chinese, not being clever metallurgists, and not liking innovations, sturdily resisted all attempts to introduce other coins, and no doubt the system of Hong merchants assisted to perpetuate this method, for it was for their profit to depreciate all articles brought to China, as sales could only be made to them, and coins, other than Spanish dollars, were placed by them on the footing of mere bullion, and there they have remained until this day.

"The chopped dollar is peculiar to Canton; it is not a circulating medium in the silk and tea producing provinces, nor will it pass at Shanghai. It is for the interest of the Canton money changers and dealers to keep up the present system, for the smaller the amount of the admitted representative of value, the greater must be their gains; but the dollar, chopped or unchopped, is not necessary for the interior commerce of China. If there be any Government silver representative of value, or if there be any such standard among the people, it is *Sycee*, and to that standard all foreign coins are brought, in making payments to the Chinese Government. It cannot be a matter of great difficulty, to give currency to all known silver coins at their true value, as it only requires the assent of the trading guilds to receive foreign silver at its intrinsic worth; and unity of action with firmness of purpose among the foreign merchants in insisting on such assent, will soon secure it.

"The embarrassments which now exist in trade are not owing to the dollar in any of its forms, nor will they be removed by the making all foreign silver current; they are occasioned by the present disturbed state of the country, which has checked the demand for all foreign productions; by the withdrawal of capital by timid bankers and other capitalists; and finally, by the reduction of the paper circulation in some parts of the country. To remedy this state of things, bullion must be imported to meet the deficit in the sales to the Chinese. The balance of trade is now against foreigners, and that balance must be paid, not by bills, but by ready money; but it is futile to expect that any regulation regarding the circulation of foreign silver is to prevent fluctuation in the rates of exchange, and it is preposterous in the extreme to think, that by any expedients bills of exchange are to be exempt from the great law of supply and demand, in regulating their price. The rate of bills now does not depend on the amount of chopped dollars at Canton, but simply on the demand and supply. Nearly all the foreign firms at Canton have signed a 'declaration' of their intention hereafter to receive and pay all dollars of purity not inferior to that of old Spanish dollars of Charles IV. at par, by weight; that is to say, in the same manner as the present chopped dollar currency. The high officers of the Chinese Government have issued proclamations to the same effect, commanding that all dollars shall be received, when tendered for the payment of duties, taxes, etc., in the same manner. In this way a host of plunderers upon trade in the shape of compradores, shroffs, money-changers, etc., etc., will be prevented having the opportunity of lawfully picking the pockets of their foreign neighbors."

**SILVER AND GOLD FROM THE GILA MINES IN NEW MEXICO.**—Yesterday we had the opportunity of examining some specimens of gold brought in by Major Steen, of the United States Dragoons, from the vicinity of the copper mines in New Mexico, in the neighborhood of Fort Webster, where he has been stationed. The specimen is from surface washings, but sufficient to show that the precious metal exists there, and subsequent washings will, doubtless, prove its existence in larger quantities.

Major Steen has also a sample of the gold found on the river San Pedro, which empties into the Gila River from the south, in the Mexican province of Sonora, near where the boundary line between the United States and Mexico, as projected by Mr. Bartlett, strikes the Gila. The San Pedro is the only stream entering the Gila from the South. Beyond the mountains are the ranches of San Bernardino and Santa Cruz, and on the other side of the San Pedro is Taos-Leon, places mentioned by Col. Cook in his expedition to California. It is from this mine that the gold bullets used by the Indians are procured. Mr. Aubrey alludes to them, and Dr. Abadie, of the United States Army, sent some of them to Major Walker, of this city.

The Major has, also, specimens of silver from the mines of St. Andrews, which are supposed to be the richest which have yet been discovered. The specimens were obtained by melting the ore in an iron ladle in a common fire. The mines are in a northeast direction from Don Ana, and about eighty miles from El Paso. The Major says that the silver ore is smelted with as much ease and facility as common galena.

He represents the whole country as abounding in mines of copper, iron and lead, and only requiring the aid of capital and enterprise to make it the most productive section of the continent. Formerly, the Indians concealed from the Mexican and American traders the locality of their mines. Major Steen, during his residence there, was fortunate enough to gain their confidence so far as to be shown the locality of several of their mines, and there he found the remains of the working of the Jesuits many years ago.

In this connection, the Major mentions another fact illustrative of the abundance of gold in that region. An Indian applied to him for clothing. The Major promised to furnish what he wanted, if he would bring him gold from the Gila. The Indian replied, that if he had known it he could have brought him "handfuls" from the late feast of the Gilenese, for it was plenty there. He went away, and in a few days returned with a pound or more. The Major being absent, the Indian sold it to an interpreter. Of him the Major obtained his sample. It is in large lumps or grains, and unlike the washings obtained in California. There can be no question, that there is a mineral tract of country on the Gila that will soon attract an immense population.—*Missouri Republican*.

**BULLION IN GREAT BRITAIN.**—The export of coin and bullion from England to the East during the past year, was over twenty-five millions of dollars in value.

The amount of specie conveyed to India, China and Australia, by the Peninsula and Oriental Steam Navigation Company's packets for the six months ending Dec. 31, 1853, amounts to £3,490,059; namely, £460,877 in gold, and £3,029,182 in silver, as shown by the annexed table:

<i>Destination.</i>	<i>Gold.</i>	<i>Silver.</i>	<i>Total.</i>
Malta, .....	31,030	....	31,030
Alexandria, .....	245,490	....	245,490
Ceylon, .....	33,685	3,090	36,775
Bombay, .....	....	884,648	884,648
Madras, .....	5,030	75,789	80,769
Calcutta, .....	....	190,744	190,744
Penang, .....	....	40,003	40,003
Singapore, .....	5,300	387,169	392,469
China, .....	98,505	1,447,789	1,546,294
Australia, .....	41,837	....	41,837
<b>Total, .....</b>	<b>£460,877</b>	<b>£3,029,182</b>	<b>£3,490,059</b>

Added to the amount exported by this route for the half year ending June, (£1,833,569,) this gives £5,323,628 for the year. The shipments to China for the half year are no less than £1,546,294.

The *London Chronicle* remarks:

"The revival of the demand for silver for India, to which we have already referred, is a feature of importance in the bullion movement of the time, as the firmness of price thus induced will tend to encourage the continued shipment to the London market from continental ports of silver destined for the East. In payment for this silver, gold will probably continue to be remitted from England to the continent."

Table exhibiting the Coinage of the U. S. Mint and its Branches, during the year 1853.

DATE.	PHILADELPHIA.			NEW ORLEANS.			CHARLOTTE.		DAHLONGA.	
	Gold.	Silver.	Copper.	Gold.	Silver.	Gold.	Gold.	Gold.	Gold.	Gold.
January,.....	\$4,809,388 00	\$93,750 00	\$3,860 79	\$370,000	....	\$23,325	\$23,325	\$35,325	\$35,325	\$35,325
February,.....	2,931,280 00	108,300 00	2,040 31	305,000	....	50,805	50,805	47,008	47,008	47,008
March,.....	5,693,808 00	167,250 00	4,131 26	295,000	8,000	....	....	30,470	30,470	30,470
April,.....	5,305,080 00	419,007 00	2,511 54	350,000	....	42,280	42,280	19,470	19,470	19,470
May,.....	5,120,222 11	610,004 00	9,120 19	85,000	....	88,640	88,640	62,920	62,920	62,920
June,.....	4,774,245 51	650,000 00	3,667 32	85,000	....	23,675	23,675	55,505	55,505	55,505
July,.....	4,459,469 28	710,000 00	1,832 28	90,000	290,000	21,860	21,860	28,858	28,858	28,858
August,.....	3,120,229 83	850,000 00	5,594 60	85,000	310,000	35,415	35,415	22,800	22,800	22,800
September,.....	4,357,662 11	1,250,000 00	7,657 60	90,000	200,000	....	....	48,202	48,202	48,202
October,.....	5,265,876 97	1,210,000 00	4,479 55	80,000	220,000	42,310	42,310	29,500	29,500	29,500
November,.....	1,760,487 17	870,000 00	6,705 88	135,000	110,000	22,465	22,465	36,590	36,590	36,590
December,.....	4,593,869 96	914,260 00	15,498 46	250,000	87,000	38,595	38,595	46,270	46,270	46,270
Total,.....	*\$52,191,618 94	\$7,852,571 00	\$67,059 78	\$2,220,000	\$1,225,000	\$339,370	\$339,370	\$462,918	\$462,918	\$462,918

DENOMINATION.	PHILADELPHIA.			NEW ORLEANS.			CHARLOTTE.		DAHLONGA.	
	Gold.	Silver.	Copper.	Gold.	Silver.	Gold.	Gold.	Gold.	Gold.	Gold.
Double Eagles,.....	\$25,226,520 00	....	....	1,420,000	....	....	....	....	....	....
Eagles,.....	2,912,530 00	....	....	510,000	....	....	....	....	....	....
Half Eagles,.....	1,528,850 00	....	....	....	....	....	....	....	....	....
Quarter Eagles,.....	3,511,670 00	....	....	....	....	327,855	327,855	448,390	448,390	448,390
Gold Dollars,.....	4,076,051 00	....	....	290,000	....	....	....	7,945	7,945	7,945
Silver Dollars,.....	....	46,110	....	....	....	11,515	11,515	6,583	6,583	6,583
Half Dollars,.....	....	1,766,354	....	....	664,000	....	....	....	....	....
Quarter Dollars,.....	....	3,813,555	....	....	833,000	....	....	....	....	....
Dimes,.....	....	1,217,301	....	....	110,000	....	....	....	....	....
Half Dimes,.....	....	667,251	....	....	118,000	....	....	....	....	....
Three Cents,.....	....	342,000	....	....	....	....	....	....	....	....
Cents and Half Cents,.....	....	....	67,059 78	....	....	....	....	....	....	....
Total Coinage,....	\$36,355,921 00	\$7,852,571	\$67,059 78	\$2,220,000	\$1,225,000	\$339,370	\$339,370	\$462,918	\$462,918	\$462,918

\* Of which \$15,855,997 94 were in fine bars, and \$36,355,921 in Coins.

## THE ANOMALIES OF THE CURRENCY.

THE most singular feature of New York currency is, that it is more depreciated than that which is more remote. A large portion, perhaps two thirds, of the bank note currency of this city is at a discount of  $\frac{1}{4}$  of one per cent. It circulates at par in business transactions, but for deposit in bank, or for the payment of notes in bank, it is available only at this rate of discount. The paper is all well secured, according to the statutes provided; and the community runs but little risk in taking it. But the bank note circulation of all New England, including the most remote corners, Burlington in the northwest, Calais and Eastport in the extreme northeast, far beyond rail-road communication, as well as all the interior towns of each of those six States, is at a discount of only *one tenth* of one per cent. The latter was, in fact, until recently, at a discount of only six cents on each hundred dollars. Even these rates are far below what existed previous to the introduction of the Metropolitan Bank system; and it is only a few years since New England country money was at a discount of one to three per cent. in Boston. The changes have been produced, much to the convenience of the whole community, by well managed combinations of capital, and the adoption of a rigid system of prompt redemption. The country banks derive a large benefit from the change, because the circulation of each, instead of being a local one, is now extended to wide sections of the country, and a great saving is made by keeping on hand only a small amount of coin, while maintaining their balances at New York city.

But the anomalous feature of the case is, that the *well secured* and bond protected bank issues of New York are at a greater discount at this point than the apparently *unsecured* circulation of New England, including places hundreds of miles off, and inaccessible, in a measure, for compulsory redemption.

What has been done by the Suffolk Bank in State-street, for all New England, in creating a currency of fifty millions *at par* throughout all those States, can now be done through other agencies for New York. There is no reason why the twenty millions of New York country circulation should not be at par in Wall-street, as well as that of all New England in State-street. Some few of the country banks of this State have voluntarily adopted par redemption in this city, as preferable to any other, and it is to be hoped that others will, ere long, see the advantage also of keeping their paper at par here.

There has been no compulsion by statute in Massachusetts and other portions of New England. There should be none here. It is a voluntary plan acceded to by nearly every banking institution throughout those six States.

For the sake of comparison we annex a summary of the capital, circulation and coin of the banks in those States :

*Recapitulation of Bank Circulation, &c.*

	<i>No. Banks.</i>	<i>Capital.</i>	<i>Circulation.</i>	<i>Specie.</i>
Maine,.....	45	\$4,283,000	\$4,380,000	\$923,000
New Hampshire,.....	35	8,376,000	3,021,000	180,000
Vermont,.....	33	2,914,000	4,794,000	188,000
Massachusetts,.....	143	49,050,000	25,600,000	3,781,000
Rhode Island,.....	77	15,945,000	4,900,000	360,000
Connecticut,.....	55	13,950,000	11,217,000	1,260,000
Total,.....	388	\$89,518,000	\$53,862,000	\$6,692,000
N. Y. Country,.....	240	29,000,000	22,000,000	1,200,000

These remarks in the New York Courier and Enquirer have elicited the following suggestions from a correspondent :

The fact to which you allude in your money article of the 31st ultimo, " that the *well secured* and bond protected bank issues of New York are at a greater discount at this point than the apparently *unsecured* circulation of New England, including places hundreds of miles off, and inaccessible in a measure for compulsory redemption," is an anomaly, but it is easily accounted for. The circumstance, when investigated in its relations, will be readily comprehended, its singularity will disappear, and the fact be found to be in accordance with the laws which govern currency and exchange.

The low rate of discount on New England issues, is owing to the fact that they are made par at Boston by the Suffolk Bank system ; but the causes and the reasons for that are not generally known. Between New York and Boston the exchanges are left free to the action of commercial law, the *real* exchanges balance each other nearly, and one tenth of our per cent. upon the currency passing is a large per cent. upon the *final* balance, which alone is transferred ; but between New York and the interior of the State, our local laws interfere, by allowing the banks to redeem at Albany at one fourth of one per cent., with an allowance of time, and thus defeat the commercial law, and prevent the creation of a Suffolk Bank here by our banks, if they were disposed as they were in Boston.

The Suffolk Bank system, as it is called, had its origin in Boston many years since. At that time, banking in New England was nearly free. Every community desirous of having a bank, obtained an act of incorporation from their legislature, who did not, as with us, restrict the privilege, to make it the means of rewarding political partisans, and to control political action by pecuniary forces. Banks became numerous, and, as a consequence, their profits, which arise entirely from the use of credit, were diminished. Banks became numerous in Boston, the deposits of each were small, and, therefore, they did not afford scope for the use of credit ; and as it is the law of currency that the depreciated will have the largest circulation, the Boston banks found themselves unable to use their credit as circulation, the channels being filled by that of the country banks ; they were able to divide only 5 per cent., while their neighbors in the country were dividing 7 or 8 per cent. For this condition of things they sought a remedy which would equalize their profits: this could be found only in *compelling* the country banks to redeem in Boston at par, in order that all might stand upon equal ground as to circulation. This they accomplished by organizing the Suffolk system, and attacking some of the strongest banks in the country ; these overcome and compelled to submit, all the others surrendered at discretion to the system proposed. It was a movement of *the banks* alone ; the public, though great gainers, was no party to the arrangement, nor were they consulted in its adoption. With us the case has been certainly different. Our banks being comparatively few, and having at all times a large amount of deposits, cared very little for circulation, and being able to use their credit as far as was desirable or practicable, have never had *themselves* any motive to compel the country banks to keep their circulation at par in New York ; it would be idle to expect them to do, without any motive, what would be unpopular out of the city for

the benefit of the citizens generally. The establishment of the Metropolitan Bank was very unpopular in Wall-street, and the failure of the experiment was confidently anticipated; it was a movement exclusively *Mercantile* and not financial, and the only error was in not receiving the issues of the State banks at par, and then making their own terms with them as to redemption, which would have been entirely in their power had they appropriated their capital to that purpose instead of loaning it to the State for circulation. Their increased deposits would have amply paid them for the loss of circulation, which, to a New York bank, is of small moment, so much so that some do not desire it. That, however, was too large a step in advance of old ideas of banking to be expected; they have done a noble work for the public, but they might have done a better.

PAR.

---

#### REMARKS.

The paragraph in our paper of the 31st ult., upon the "Anomalies of the Currency," was a mere record of the facts, and without the comments which should usually appear, by way of explanation. Our correspondent, PAR, is mainly correct in the statement of causes which led to the Suffolk Bank system; but we think that the merchants of Boston were at the bottom of the movement. Although it was apparently "a movement of the banks alone," yet it was promoted and urged and forced upon them by public sentiment, or by the wants of the mercantile classes, in that community. The tax upon the business men had become such, in the shape of discount on uncurrent paper, that some system was deemed essential whereby all business men in that city could be relieved of the unnecessary burden.

The new system of *par redemption*, in Boston, has long been known as the "Suffolk Bank System;" but it did not originate with that bank. It originated in the year 1825, among five associated banks of Boston, (then nicknamed the *Holy Alliance*), and Mr. Charles Sprague, the present cashier of the Globe Bank, was one of the most urgent in aid of the system. The work of *par redemption*, whereby three hundred millions of New England country bank bills are annually redeemed at one counter, was perfected under the administration of the late Henry B. Stone, who was for some years the president of the Suffolk Bank.

A similar system is required here; but we doubt whether the Metropolitan Bank, or any one institution, with only two millions of dollars, can accomplish the revolution. The change must be brought about gradually. It was an important end gained, when the discount on New York country bills was reduced from  $\frac{3}{4}$  and  $\frac{5}{8}$  to *one quarter of one per cent.* The next step will be to bring the twenty millions of New York country funds to *par*. There is no reason why Wall-street should not accomplish for the twenty or thirty millions of New York currency what has been long since done for the fifty millions of New England currency by State-street.

We think lasting credit is due to the direction of the Metropolitan Bank for the accomplishment of their object in bringing about an *approach* to a *par redemption*, especially when their plan was opposed by a large number of influential banks and bankers. "They have done a



noble work for the public," but none others were found to do it better, or even as well.

We said that the Massachusetts currency was *apparently* unsecured. In reality, their bank paper is well secured. Every bank stockholder is liable not only for his stock, but for an equal amount of the bills of the bank, in case of its failure. The experience of the last fifteen years has demonstrated that the losses from bank issues in the State of New York, are four or five times greater than in Massachusetts. The system of the latter is better than our own, because it requires a paid up and bona fide capital—substantial stockholders, and an honest management. Whereas, in New York, where "every man is his own banker" or may become a banker, there is less *surveillance* upon the movements of corrupt men—in other words, it is *free banking*, without those just restrictions that are essential to the protection of the community, and to the existence of legitimate and successful banking.

### FOREIGN ITEMS.

THE BRITISH MINT.—We have the official report of the British Coinage for the year 1858, as compared with former years, viz.:

	<i>Sovereigns.</i>	<i>Half Sovereigns.</i>	<i>Total Gold Coinage.</i>	<i>Silver.</i>	<i>Copper.</i>
1848,.....	£2,246,701	£205,298	£2,451,999	£35,442	£2,688
1849,.....	1,755,899	422,556	2,177,955	119,592	1,792
1850,.....	1,402,039	89,798	1,491,837	129,096	448
1851,.....	4,013,625	386,787	4,400,412	87,868	3,584
1852,.....	8,053,435	688,835	8,742,270	189,596	3,796
1853,.....	10,597,993	1,354,398	11,952,391	701,544	9,073
Total,.....	£28,059,192	£3,147,672	£31,216,864	£1,263,139	£21,381

Compared with the United States Mint, the returns are as follows—the British returns reduced to \$4 85 per pound:

Gold,.....	\$57,989,096 35	\$55,213,906 94
Silver,.....	6,126,224 15	9,077,571 00
Copper,.....	103,697 85	67,059 78
Total,.....	\$64,199,018 35	\$64,358,537 72

Of the gold coinage of Philadelphia, \$15,835,997 94 was in fine bars, and \$36,355,621 in coin.

GRAIN MARKET.—The *European Times* thus alludes to the reliance placed upon the United States for a supply of grain:

It requires no statistics to show that America is a great country, and that every year is adding amazingly to its wealth, its power, and its resources. All the countries of Europe, our own amongst the number, are daily feeding the leviathan Republic. We send them all the elements of strength and development in the shape of human bones and brains, and we cannot in return deny them the merit of sending us what we want—the materials for feeding ourselves. As things are now progressing, America seems destined to become the granary of Europe—to feed the mouths of the Old World; and this consolatory fact will enable us to submit, without repining, to the atmospherical freaks which nature sometimes plays with ourselves and our continental neighbors.

REVENUE OF GREAT BRITAIN,  
In the Year ending January 5, 1853 and 1854.

	Year ended Jan. 5th, 1853.	Year ended Jan. 5th, 1854.	Year ended Jan. 5, 1854.	
			Increase.	Decrease.
Customs, .....	£18,695,382	£18,978,223	£282,841	....
Excise, .....	13,356,981	13,629,103	272,122	....
Stamps, .....	6,287,261	6,500,988	213,727	....
Taxes, .....	3,377,843	3,153,868	....	223,975
Property Tax, .....	5,509,637	5,660,196	50,559	....
Post-Office, .....	1,022,000	1,004,000	....	18,000
Crown Lands, .....	260,000	402,888	142,888	....
Miscellaneous, .....	293,729	276,375	....	17,354
Total ordinary revenue,...	48,802,833	49,505,641	962,137	259,329
Imprest and other moneys,	634,063	879,089	245,026	....
Repayment of advances,..	1,031,297	1,399,388	368,091	....
Total Income, .....	50,468,193	51,784,118	1,575,254	259,329
The amount applied to con- fund, exclusive of ad- vances, .....	29,407,030	29,884,023	259,329	Deduct decrease.
Ditto applied as advances,	1,451,130	2,138,517		
Ditto applied as part of the ways and means of the year, .....	19,610,033	19,761,578		
Total, .....	£50,468,193	£51,784,118		

IRISH BANKS.—The official returns of the Irish Banks, made up for the four weeks ending Dec. 24, 1853, are as follows:

Names and Titles.	Circulation authorised.	Total average Circulation.	Total average amt. of Coin.
The Bank of Ireland, .....	£3,738,428	£3,095,900	£771,257
The Provincial Bank of Ireland, .....	927,667	975,418	233,719
The Belfast Banking Company, .....	281,611	503,247	285,428
The Northern Banking Company, .....	243,440	279,929	63,527
The Ulster Banking Company, .....	311,079	497,773	204,923
The National Bank of Ireland, .....	761,757	1,021,679	393,220
The Garrick-on-Suir National Bank of Ireland, .....	24,084	24,513	5,555
The Clonmel National Bank of Ireland,	66,428	54,768	10,591
Total, .....	£6,854,494	£6,453,227	£1,968,220

The above returns show an increase in the amount of note circulation for the four weeks of £74,007, as compared with the preceding return, and during the same period the bullion in the banks also increased to the amount of £6,007.

AUSTRALIAN GOLD REGION.—The Australian papers mention the passage of a new Gold Act, by which the duties or license fees were reduced, and a consequent increase of miners and of the gold produce has followed.

In the discussions which took place on the question of the new Gold Act, evidence was adduced of the rapid progress of the prosperity of the colony since the discovery of gold. In connection with which, it may be mentioned that the Legislature had voted a further sum of £4,000, making £10,000 in all, to Mr. Hargreaves, the discoverer. An official report on the probability of coal existing within the colony has been published of a most satisfactory character. Labor was in excellent demand, at good rates.

As an evidence of the increased values of banking and other shares in Australia, we

quote Bank of New South Wales, £31 for £20 paid. Commercial Bank, £38 for 25 paid. Australian Gas Light Co., £10 for 6 paid. Stock in Steam Navigation Companies, Marine Insurance Companies, Railway Companies, was all at advanced rates at Sydney. Three men were hung October 4th, for robbing a gold escort of £10,000 in gold dust.

AUSTRALIA.—The following were the quotations of bank and other shares at Sydney, October 4:

*Sydney Share List.*

<i>Names of Companies, &amp;c.</i>	<i>Amount of Shares.</i>	<i>Paid up per Share.</i>	<i>Price.</i>
Bank of New South Wales,.....	£20	All.	£31 to £32
Commercial Bank,.....	25	All.	38½ to 39
Australian Joint Stock Bank,.....	10	£5	5½ to 6
Bank of Australasia,.....	40	All.	None offered.
Union Bank of Australia,.....	25	All.	£48 to £50
London Chartered Bank of Australia,.....	20	£2	....
English, Scottish and Australian Chartered Bank,	20	4	....
Australian General Assurance Company,.....	100	5	£6½ to £6½
New South Wales Marine Assurance Company,	20	2	2½ to 2½
Australian Gas Light Company,.....	6	6	10 to 10½
Australasian Steam Navigation Company,.....	20	All.	25 to 26
Ditto (new series),.....	20	£10	12½ to 12½
Hunter River Steam Navigation Company,....	10	All.	10
Sydney Railway Company,.....	5	All.	6½ to 6½
Hunter River Railway Company,.....	5	2s. 6d.	6s. 6d. to 10s.
Geelong and Melbourne Railway Company,....	20	£1	....
Sydney Exchange Company,.....	10	5	£5
Sydney Gold Escort Company,.....	10	2	10s. to 20s.
Bathurst Copper Mining Company,.....	5	All.	£11 to £12
Ditto,.....	5	£2	5 to 5½
Ophir Copper Mining Company,.....	5	All.	6½ to 7½
Ditto,.....	5	£2 10	4 to 5
Great Nugget Vein Gold Mining Company,....	1	£1	1½ to 1½
Turon Ridge Quartz Crushing Company,.....	1	All.	10s. to 15s.
Wentworth Gold Mining Company,.....	10	All.	£9 to £10
New South Wales Government Debentures,....	100	5 to 10 per cent. prem.	
New Zealand Debentures,.....	100	10 per cent. prem.	

THE BAKERS' BANK, PARIS.—The *Moniteur* contains a decree organizing the Bakers' Bank, which was created, or, to speak with more practical correctness, promised on Dec. 27th.

The bank is to be governed by a director, whose duties, controlled by the Prefect of the Seine, are, to see to the execution of the general rules and regulations, to superintend the management of the cashier, to regulate the disposal of the capital, the payments, and in general, all the operations of the bank, to submit to the prefect the annual budget, and to present at the end of every year a moral and financial account of the operations effected. The cashier is responsible for his management and the payments made by the bank. He is to find security to an amount to be fixed by the prefect, and is to make out a daily balance sheet. The director is to be appointed by the Minister of Agriculture, Commerce and Public Works, on the recommendation of the Prefect of the Seine. The cashier and other officers will be appointed by the prefect. The director, cashier, and all the officers of the establishment are prohibited from being concerned or interested in, either directly or indirectly, any dealings in corn, flour or bread. The bakers are to make returns to the bank of the quantity, quality, and distinctive mark of all flour and grain bought by them, together with the price and conditions of sale, and the periods fixed for delivery and payment. These returns must be accompanied with the invoices. A return of the bakers' declarations

is to be made daily by the Prefect of the Seine to the Prefect of Police, to enable the latter to strike the averages. The Prefect of Police will every fortnight, furnish the Prefect of the Seine, to guide him as to the extent of credit to be opened to every baker, with a statement, showing the quantity of flour of which each baker's deposit consists, together with its value, according to the averages. Any baker desiring to obtain an amount of credit exceeding the value of his stock in warehouse, must address a special application to the director, accompanied by a statement of the security he proposes to offer. Bakers are to have the privilege of paying to their credit with the bank money to any amount, and all such deposits will bear interest to run from the expiration of five days after their being made. The bakers will pay for all corn and flour purchased by them, by bills on the bank, and these bills may be accepted by the bank within the limit of each baker's credit. Those bakers who may not be able within the space of a fortnight to repay any advances made to them by the bank, must give bills at dates to be settled according to their position with respect to the bank and the amount of their trading liabilities. The sums advanced to bakers by the bank bear interest up to the day of re-payment. The rate of interest to be taken by the bank for its advances is to be settled from time to time by the prefect, within the limit of 5 per cent. per annum. The bank is not to be allowed to charge any commission. When the price of bread fixed by the municipality is lower than that indicated by the sliding-scale, the difference is to be ascertained by reference to the half-monthly returns of the baker's business, and is to be carried to his credit, unless he requires immediate payment. In the contrary case—that of the regulated price of bread being higher than the averages would indicate, the baker must pay the difference to the bank every five days, and in case of default, he will be charged with interest. A consultative committee is appointed to give its advice as to the amount of security to be given by the baker, the eligibility of the security he may offer for supplemental credits, the time to be given in case a baker may not be able to make the payments due from him, the rate of interest on moneys paid or received by the bank, the financial operations of the establishment generally, and the moral and financial account required to be presented annually by the director. The consultative committee will be presided over by the Prefect of the Seine, and composed of the governor of the bank, the director-general of the *Caisse d'Amortissement*, the director of the general financial operations of the Minister of Finance, and of three members chosen from the municipal commission and nominated by the Minister of Agriculture, Commerce and Public Works, on the recommendation of the Prefect of the Seine. The accounts of the bank are to be kept upon the system of the Butchers' Bank of Poissy.

In completion of the above decree, M. de Montullé, a head of a section at the Ministry of State, is appointed director of the bank, and Count d'Argout governor of the Bank of France; MM. Guillemet, director general of the *Caisse d'Amortissement*; Andouille, director of the financial operations at the Ministry of Finance; Ledayre, president of the Tribunal of Commerce; Germain Thibaut, vice-president of the Chamber of Commerce; and Billaut, the syndic of the *agens de change* of Paris, as members of the consultative committee.

**BRITISH SHIPPING.**—The activity in the British ship yards is shown in the annexed summary of cargoes received at London alone during the last four years:

Year.	Ships.	Tons.
1850.....	951	309,250
1851.....	1,475	456,421
1852.....	1,419	432,428
1853.....	1,853	573,938

The increase in 1853 beyond the arrivals in 1852 is fully 33 per cent.

Sweden and Norway will supply London with about a moiety of the foreign wood trade, in 848 cargoes of 227,581 tons. Prussia rises this year, in the scale of comparison, to 462 cargoes, 152,984 tons; Russia, with Finland, to 318 cargoes, 81,897 tons. In these, several qualities are included, fire wood, lathwood, spars, railway sleepers and staves—in some previous statements they have not been regularly taken

**STEAMSHIPS.**—The London papers chronicle the completion of the Peninsular and Oriental Steam Navigation Company's new screw steamship *Himalaya*, of 3,550 tons and 700 horse power. The performances of the ship, notwithstanding the prevalence of a strong S. E. wind, were declared to be eminently satisfactory. She ran the measured mile, with a current of  $1\frac{1}{4}$  knot in her favor, in 4 min. 7 sec., being equal to 14.585 knots per hour. By the log, which was several times hove during the trip, the speed shown was quite 14 knots, with the engines going 56 revolutions per minute.

The result of this trial has demonstrated the achievement of the desideratum so long sought for in screw steamships—namely, the almost total absence of any vibratory motion. It was found perfectly practicable to write without inconvenience immediately over the screw when the ship was proceeding under the full power of her engines, and at the highest rate of speed. Towards the centre of the vessel the motion of the machinery was scarcely perceptible.

**FICTITIOUS FOREIGN BILLS.**—A case of considerable interest to the banking and commercial public came before the Bankruptcy Court, London, on Monday, Dec. 19, in the matter of Oppenheim, a bankrupt, in Broad-street, who came up to receive his certificate. The facts of the case were these: that the bankrupt, in the course of his transactions, had been in the habit of negotiating Bills of Exchange, representing them as foreign bills, when they were in reality drawn and accepted in London by the bankrupt. Messrs. Overend and Gurney and the London and Westminster Bank were holders of some of these bills, which upon examination were found to have been issued to the extent of £4,000. The London and Westminster Bank therefore determined on bringing the question before the court as a public duty.

The following is a copy of the bill held by that bank for £300, which had been accepted by the bankrupt, and discounted for Mr. Horner, the last endorser, who was unable to discharge it at maturity:

No. 740, £300.

Natal, Dec. 15, 1852.

At ninety days' sight, pay this, our first of exchange, (second and third unpaid,) to the order of ourselves, the sum of three hundred pounds, for value received, which place to the account of J. A. Jackson & Co.

To Mr. Simon L. Oppenheim, 10 Broad-street Buildings, London.

The London and Westminster Bank therefore applied to prove the amount against the estate of the bankrupt, which was at first allowed. But it subsequently became known that the bill was drawn and accepted in London, although dated from Natal, and not bearing a stamp, the proof was not admitted.

The case of Messrs. Overend & Gurney was that of a bill professed to be drawn at Dominica for the sum of £250, and which had been discounted by them under similar circumstances, except that in this case the bill was accepted by one Bellot, a bankrupt, and was passed to the bankrupt from a person named Joyce, to whom he had given value for it, and afterwards endorsed it to Messrs. Overend & Gurney. Mr. Vallings, in behalf of his clients, said, that the bill had been presented for proof against Bellot's estate, and rejected as waste paper, and that he also had received a certificate of the first class from Commissioner Evans.

This question involves two important points for consideration: first, whether bills so drawn are to be deemed as fraudulent bills, and the innocent holders liable to lose the amount; or, secondly, whether the parties to the drawing of them are not guilty of a fraud, and subject to a breach of the Stamp Laws. We think, on looking at the remarks of Commissioner Fane, that he mistakes the real point at issue; and his observations throughout appear to be an apology on behalf of the bankrupt, who says: "I know that a bill drawn in this country requires a stamp." He must therefore be aware that in accepting bills in his own office, under the pretence of their being drawn abroad, was contrary to law; and however prevalent the custom may be, it does not justify the case. The excuse pleaded by the Commissioner, that he was a German, and had only been in London two years, is very weak; and we are of opinion that the case in question may be clearly considered to come within the meaning of the Bankruptcy Act, where money has been obtained by "false pretences;" and if his ignorance of the law on the question of the stamp duties were put in as a plea in any of the superior courts, it would avail nothing; and although Messrs. Overend & Gurney and the Westminster Bank have not been allowed to prove against

the bankrupt's estate, we think an action for fraud might lie, and that government might prosecute for a breach of the Stamp Laws. There is at least this resource, an appeal to the higher courts to have the certificate recalled. For if, under the plea of ignorance, a certificate of the first class can be obtained, and a forcible appeal made by the Commissioner on behalf of the bankrupt, a premium is offered for the continuance of a system of fraud that is destructive of commercial integrity; it is a species of double crime; for while it seeks to obtain money under false pretences, it defrauds the revenue of its dues.

We hope this will force upon the attention of government the necessity of fixing a stamp duty upon *all* bills of exchange, foreign or otherwise; for it will not only add to the revenue, but it will put a stop to all such cases as those we have described.

**BROKERS.**—A late work, published in London, from the pen of Sir George Stephen Barrister, contains the following reference to a class who are becoming quite numerous in this country. The remarks contained in our extract may prove interesting to the Merchant and Broker.

The class of brokers has become so important in modern times, and so wealthy, that they rank, as a class, upon a level with merchants and wholesale traders; except that in very high commercial society some little distinction of mercantile rank is supposed to prevail, so that they are never elected to be directors of the Bank of England, and a few others of the great commercial bodies in the metropolis. If this proceeded from a feeling of exclusiveness, founded on pride, it would be too contemptible even for ridicule; for wealth and education have a great levelling power; but it is right to mention it, because the origin of the exclusion shows both the important nature of the brokers' duties, and the tenderness of that commercial honor by which our great merchants have generally been, and ought always to be distinguished; it was intended to prevent the possibility of any suspicion, that a broker could be on such terms of friendly or official intimacy with a merchant, as to be influenced by that intimacy to give him an unfair advantage in his trade; and this would not be difficult, for the broker being, in fact, from his occupation, the best of all authority upon the state of the markets, could easily convey, and in modern times always does convey to his employers, any intelligence that is likely to affect the market; he knows whenever the demand greatly exceeds the supply, or the reverse; and this knowledge, if it was exclusively given to any one house of trade, would enable that house to govern its speculations with more certainty than any of its rivals. Trade is now so extended, and brokers are so numerous, that such undue advantage could scarcely be given; but even now a broker might benefit one of his employers at the expense of another, if disposed to act dishonestly.

*The Broker's Business.*—When the merchant informs a broker that he wants so many bales of raw cotton, or so many hundred weight of tobacco, or any other article, the broker goes to the market, and there ascertains from other brokers what is the price of the day, and where such goods are to be found. Having obtained this information, his proper duty is to return to his employer and inquire whether he will give the price demanded; or it may more frequently happen, if the broker is in a large way of business, that he has himself instructions from some other customer, or is so well acquainted with the market that he can at once state the price and quality. When the terms are approved by the buyer, it is the broker's duty to make a note of the purchase in a book of his own; which note ought to be particular and accurate in stating the names of the buyer and seller, the quality and description of the article sold, the price for which it was sold, and any special terms or conditions for which either party has expressly stipulated. The broker ought to sign this note so made in his book; and having made it, it is his duty to go to the broker of the seller, and compare the memorandum with a similar memorandum made by that broker. If they correspond, then the buyer's broker sends an exact copy of the memorandum to the broker of the seller, whose duty it is to exchange it for an exact copy of his own memorandum: and these copies ought also in strictness to be signed each by the broker who sends it. They are then called "bought and sold notes," the bought note being that which is sent by the seller's broker; but if the same broker acts both for the buyer and the seller, it would then be his duty, and it generally is the practice

after making the entry in his book, to call on both buyer and seller, and ascertain that he has made it correctly according to the views of both parties, and then send a copy of it to each.

The purchase and the sale are now completed, and either party can compel the other to carry out the agreement, by a delivery of the goods on one side, and payment for them on the other. If goods are sold by a broker on credit, to be paid for by a bill of exchange, the seller, if doubtful of the solvency of the buyer, is entitled to annul the contract, provided he intimates his dissent to it within a reasonable time, and five days have been held to be a reasonable time.

**DARMSTADT.**—The *Precurseur d'Auvers*, of the 20th of October, contains a paragraph dated Darmstadt, October 25, in relation to the proposed branch of the Bank of Darmstadt in New York. That paper says:

In the session of the Board of Directors of our Bank, which was held on Saturday, October 22d, at which the Prince de Hohenlohe presided, among the resolutions passed was one to establish a branch in New York. The person who is to take charge of it departed immediately for America, and it is thought that the regular transaction of business between New York and Darmstadt will be brought within two months at farthest. This branch will be of great value to emigrants, by enabling them to exchange their funds for bills upon New York.

#### BRITISH PROVINCES.

##### *Official Taxes of population of Canada and other British North American Provinces.*

<i>Provinces.</i>	<i>Year.</i>	<i>Population.</i>	<i>Square Miles.</i>
Upper Canada,.....	1852	953,289	147,832
Lower Canada,.....	1852	890,261	261,989
New Brunswick,.....	1851	193,800	27,700
Nova Scotia,.....	1851	276,117	18,746
Prince Edward Island,.....	1848	62,678	2,134
Newfoundland,.....	1851	101,600	57,000
Hudson's Bay Territory,.....	1851	180,000	2,500,000
Labrador,.....	1851	5,000	170,000
<b>Total,.....</b>		<b>2,662,745</b>	<b>3,185,401</b>
<i>Towns.</i>	<i>1844.</i>	<i>1844.</i>	<i>1852.</i>
Toronto, Upper Canada,.....	18,420	21,000	30,755
Hamilton, Upper Canada,.....	5,689	6,822	14,112
Kingston, Upper Canada,.....	6,840	9,500	11,585
Quebec, Lower Canada,.....	34,500	37,000	42,052
Montreal, Lower Canada,.....	44,093	50,000	57,715
Frederickton, New Brunswick,.....	3,700	4,000	4,458
St. John's, New Brunswick,.....	19,500	20,000	22,745
Halifax, Nova Scotia,.....	22,000	23,500	36,000
Charlestown, Prince Edward Island,...	3,984	4,500	4,717
St. John's, Newfoundland,.....	12,000	19,000	21,000

**AUSTRIA.**—Late letters from Vienna show that the finances of Austria are in a worse condition than before reported. The public funds continue to fall. We gather the following details in reference thereto and the discontents of the people.

Almost all the shares of the last Austrian loans are in the hands of private individuals, who have not yet taken the alarm, and are content to receive their 4½ or 5 per cent. interest. The speculators, however, who have evidently reflected on what may possibly happen, appear to reason in this way:—The Five per Cent. Metalliques are now at 92, but silver is at a premium of 22 per cent., and consequently their real value is but 72. Should a war break out, Austria will probably sooner or later be involved in it, and if not, she will be obliged to make such great efforts to keep down her revolutionary elements that her expenditure will far exceed her revenue. In either

case the price of stocks will decline, and the currency undergo a further depreciation. In a word, State paper is just now considered a less desirable investment than Northern Rail-Road shares, as if the worst come to the worst, the railway shareholders will always have excellent security for their capital, and a reasonable prospect of getting four to five per cent. for their money. The papers tell us that the enormous advance in foreign exchanges is a consequence of the large reimbursements which the mercantile world has to make at this season of the year, but probably it must be attributed to want of confidence in the future. The *Oest. Correspondenz* the day before yesterday contained an article on the state of the finances. At the end of the last year the total amount of the paper currency was 336,643,875fl., of which 148,334,658fl. was in State and 188,309,217fl. in bank notes. In December, the State issued notes for half a million of florins more than circulated in the preceding month, but the bank withdrew from circulation paper money to the amount of 4,000,000fl. The semi-official organ further informs us that the expenditure has again exceeded the revenue. The finance department has the means in hand for defraying the expenses of the State for the present and for some time to come. The moment is declared to be unfavorable for negotiating a loan, an assertion the correctness of which no one is inclined to doubt. The rise in the price of silver is naturally a source of serious uneasiness.

**GREAT BRITAIN.**—The English files of papers furnish us interesting details as to the business of the past year, shipping, financial, &c. There is a restoration of the foreign exchanges in favor of Great Britain. The bank had increased its bullion about £51,000 for the week ending 5th January.

There continues a large export trade from British ports to Australia. From London alone, the departures for the month of January were announced to be 73 vessels, the total tonnage of which was 42,738. The corresponding statement for the previous month showed a total of 69 vessels, or 42,350 tons; for November, 78 vessels, or 46,942 tons; for October, 114 vessels, or 67,717 tons; for September, 118 vessels; and for August, 96 vessels.

## BANK ITEMS.

**NEW YORK.**—Richard King, Esq., son of the late James Gore King, has been elected Assistant Cashier of Bank of Commerce in New York.

**Utica.**—Charles H. Doolittle, Esq., has been elected President of the Oneida County Bank, in place of Ira B. Carey, Esq., deceased.

**Lansingburgh.**—The Farmers' Bank of Lansingburgh has commenced operations. Henry Parmlee, Esq., has been elected Cashier of the Rensselaer County Bank.

**Legislative.**—At Albany a bill of much importance has been introduced into the Assembly, in reference to *sight bills of exchange*. This question has always been an open one in this city, and has given rise to numerous disputes as to whether grace was or was not due upon sight bills.

In Massachusetts this matter was set at rest some years since by the passage of an act which allows grace on all bills of exchange at sight—but otherwise on bills payable on demand, viz.:

SEC. 5. In all bills of exchange, payable at sight or at a future day certain, within this State, and on all promissory negotiable notes, orders and drafts, payable at a future day certain, within this State, in which there is not an express stipulation to the contrary, grace shall be allowed, except as provided in the following section, in like manner as it is allowed by the custom of merchants, on foreign bills of exchange payable at the expiration of a certain period after date or sight.

SEC. 6. The provisions of the preceding section shall not extend to any bill of exchange, note or draft payable on demand.

A Bill "to prohibit the plea of Usury in certain cases" was also introduced into the Assembly last week.

Notices were given also of Bills, 1. To incorporate the Half-Dime Chelsea Savings Bank in New York city. 2. For the incorporation of Savings Banks by a general law.



**NEW HAMPSHIRE.**—Two new banks have commenced operations in this State. I. The Citizens' Bank, at Sanbornton; capital, \$50,000; circulation, \$28,000. II. The Sugar River Bank, at Newport; capital, \$50,000; circulation, \$50,000. The largest capital employed by any one institution in the State is that of the Piscataqua Exchange Bank at Portsmouth—\$200,000.

**RHODE ISLAND.**—Bills are pending before the Legislature of Rhode Island for the incorporation of the following banks: I. The Mercantile Bank, in Providence. II. The Island Bank, at New Shoreham. III. The Pocasset Bank, at Tiverton. IV. The Bank of the State of Rhode Island. V. The Westminster Bank, Providence. The New England Pacific Bank has applied for an increase of capital: also the Traders' Bank, Newport. The charter was granted to the Block Island Bank.

**Fractional Bills.**—The banks in this State which have issued fractional bills, in compliance with the resolution passed, to make returns of the amount of their circulation on the first day of September last, and on the sixth instant, made the required returns, of which the following table is an abstract:

	Sept. 1.	Feb. 6.
Weybosset Bank,.....	\$119,000 00	\$68,347 00
City Bank,.....	33,460 50	18,625 25
Mechanics and Manufacturers' Bank,.....	88,925 00	72,565 00
Fall River Union Bank,.....	14,598 50	11,847 50
Bristol Commercial Bank,.....	....	4,115 00
Coventry Bank,.....	14,700 00	7,044 25
Warren Bank,.....	....	183 00
Smithfield Exchange Bank,.....	11,000 00	5,796 50

The Warren and Bristol banks reported that they could not accurately determine the amount of fractional bills in circulation on the first day of September last.

Notice was given of an act in amendment of an act to prohibit the issue of fractional bank bills, the present law not being sufficiently stringent in its provisions to suppress the circulation of these shimplasters. The act requiring the names of bank officers to be published and filed in the office of the Secretary of State, within twenty days after election, was concurred in with an unimportant amendment.

**MASSACHUSETTS.**—There was a debate on the Senate bill "concerning loans by banks to the Commonwealth." The following is a copy of the bill:

**SEC. 1.** Money loaned by any bank of this State, to the Commonwealth, shall not be deemed to be debts due said bank, within the intent and meaning of the ninth section of the thirty-sixth chapter of the Revised Statutes; and so much of said section as is inconsistent with this act is hereby repealed.

Mr. Wood, of Fitchburg, moved to amend the bill by *providing* "that the amount of the loan shall not exceed five per cent. of the capital stock of the bank." Adopted. The bill as thus amended was ordered to be engrossed—68 to 66.

On motion of Mr. Seamans, of Boston, the Committee on Banks and Banking was directed "to ascertain from the legal officers of each bank applying for increase of capital, if such bank has, by its officers or directors, exacted or taken, directly or indirectly, exorbitant or illegal exchange, discount or interest, or in any other way violated the banking laws of the Commonwealth, and that for that purpose they be directed to send for persons and papers, and that said committee report the facts to the Legislature."

**MARYLAND.**—In the Maryland Senate the bill for the enlargement of the Bank Capital of the city of Baltimore, has passed by a vote of 13 ayes to 2 nays. This bill enacts that the capital of the several banks in the city of Baltimore, may be enlarged so that those banks whose capitals now exceed one million of dollars may be increased to two millions of dollars; those whose capitals exceed nine hundred thousand dollars, and less than a million, may be increased to one million and five hundred thousand dollars, and the capitals of all the remaining banks in said city may be increased to one million of dollars. The increase may be effected from time to time, as deemed advisable, but not less than \$100,000 at any one time, when the assent of a majority of the stock is obtained.

**NEW JERSEY.**—An injunction has been issued by the Chancellor against the Merchants' Bank at Bridgeton, New Jersey, on the application of the Bank Commissioners, on the ground that the bank had not transacted a *bona fide* banking business at the place of its location. The circulation of the bank is fully secured by deposits in the hands of the State authorities, so that no loss can accrue to the note holders.

**PENNSYLVANIA.**—*Dime Savings Institution.*—Among the recent acts of the Legislature of Pennsylvania, one of the best is the passage of a bill incorporating a company with the above name, to be established in the city of Philadelphia, as a depository for the savings of those poor persons who can spare but small sums to lay by for a day or want—those to whom dollars are a scarcity and dimes precious coins, the treasuring up of which is a matter of some importance. That this will do great good among the lower classes of so large and varied a community as Philadelphia, we need hardly say. The institution is in no wise a business speculation, but is the enterprise of a number of benevolent individuals who would fain help those who are but little able to help themselves.

In the Pennsylvania Senate, Mr. Hendricks submitted a supplement to an act regulating banks, as approved April 16, 1850. It provides that "from and after the passage of this act, the total liabilities of any bank in this Commonwealth, exclusive of the capital stock, shall not at any time exceed three times the amount of the capital stock paid in. Provided, that when the deposits shall exceed one fourth of the capital stock, such excess shall not be counted as a liability in the meaning of the above prohibition, nor shall the debts due and to become due to any such bank ever amount to more than four times the capital stock paid in, loans to the Commonwealth excepted."

**Philadelphia.**—The case of the Bank of Pennsylvania *vs.* The Commonwealth of Pennsylvania, in error to the Supreme Court of Pennsylvania, was brought before the Supreme Court of the United States at its present term. On motion of Mr. Bayard, stating that the matters in controversy had been agreed between the parties, this writ was dismissed at the costs of the plaintiff in error.

**NEW JERSEY.**—Samuel Meeker, Esq., has been chosen President of the State Bank, Newark, in place of Elias Van Arsdale, Esq., deceased.

**VIRGINIA.**—In the Virginia Senate, a report has been made by the Committee on Banks, recommending the establishment of another Branch Bank, at Staunton; and also the establishment of a Branch Bank at Martinsville, Henry County.

*Free Banks of Virginia.*—The following is a statement showing the names, location, capital, amount deposited, and circulation of the independent Banks of Virginia:

<i>Name of Bank.</i>	<i>Capital.</i>	<i>Deposits.</i>	<i>Circulation.</i>
Manufacturers and Farmers' Bank, Wheeling...	\$300,000	\$300,000 00	\$300,000
Bank of the Old Dominion, Alexandria, .....	500,000	362,540 00	362,540
Central Bank, Staunton, .....	500,000	245,015 00	245,000
Merchants' Bank, Lynchburg, .....	900,000	218,647 86	213,195
Bank of Winchester, Winchester, .....	250,000	100,000 00	100,000
Monticello Bank, Charlottesville, .....	300,000	198,109 00	192,000
Bank of Fairmount, Fairmount, .....	200,000	60,000 00	60,000
Bank of Berkely, Martinsburg, .....	100,000	100,000 00	62,500
Trans-Alleghany Bank, Jeffersonville, .....	1,000,000	225,000 00	225,000
Bank of Wheeling, Wheeling, .....	500,000	100,000 00	40,000

Total,..... \$1,908,311 86 \$1,800,235

**Bank Commissioners.**—In the Virginia Senate, on the 8th February, a resolution was introduced by Mr. Funsten, that a select committee be appointed to inquire into the expediency of creating the office of Commissioners of Banks, and of blending that office with the office of keeping of the Rolls, and that they report by bill or otherwise.

**Charters.**—Mr. Mayo, from the committee on Banks, reported a bill to re-charter the Bank of Virginia, the Farmers' Bank, Virginia, the Exchange Bank of Virginia, the

Bank of the Valley of Virginia, the Northwestern Bank of Virginia, and the Merchants and Mechanics' Bank of Wheeling. Bills have been reported in the House of Delegates for the incorporation of the following new Banks: I. The Northern Bank of Virginia. II. Clarke County Bank. III. State Stock Bank of Arracoma. IV. The Bank of Augusta. V. The Bank of Halifax, in Meadsville.

In the Senate, the Committee on Banks reported that it was inexpedient to grant an act of incorporation for the South Western Bank of Virginia, at Lynchburg.

The Committee on Banks reported the following bills:

A bill extending the charter of the Bank of Kanawha. A bill amending the act authorizing the Exchange Bank of Virginia, Bank of Virginia, Farmers' Bank of Virginia, or Bank of the Valley in Virginia, to establish a branch at Fort Royal, in the county of Warren. A bill to authorize the establishment of a branch Bank at the town of Jacksonville, in the county of Floyd. A bill incorporating the Western Bank of Virginia. A bill establishing an independent Bank in the town of Hillsville, in the county of Carroll. A bill incorporating the Bank of the Commonwealth of Virginia. A bill authorizing one of the Banks of this Commonwealth to establish an office in Fairmount, in the county of Marion. A bill authorizing one of the Banks of this Commonwealth to establish a branch in Elizabethtown, in the county of Marshall. A bill establishing an independent Bank in the town of Greenville. A bill authorizing a branch of the Bank of Virginia, Farmers' Bank of Virginia, or Exchange Bank of Virginia, in the town of Martinsville, in the county of Henry.

*Union.*—The Branch Bank of Virginia at Union, Virginia, commenced business on the 22d day of July last, under an act of the Legislature passed in 1853. Capital, \$100,000; President, John Echols, Esq.; Cashier, M. McDaniel, Esq. The town of Union is located in Monroe County, and is about 208 miles west from Richmond.

*GEORGIA.*—On the 20th January, bills were introduced into the Senate to incorporate the People's Bank in St. Mary's, with a capital of \$250,000 to \$500,000. Also, to incorporate the "Bank of Georgia," at Rome, with a capital of \$250,000, and privilege to commence operations when \$50,000 shall be paid in. The former bill was rejected.

*Savannah.*—The charter of the Marine and Fire Insurance Bank of Savannah has been renewed, and the name changed to the Marine Bank of Georgia. The bill to incorporate the Exchange Bank of Savannah, with a capital of \$2,000,000, has been passed. Also, an act to incorporate the Interior Bank, at Griffin.

*Augusta.*—The act to incorporate the City Bank of Augusta, with a capital of \$500,000, was passed by the Senate on the 7th February, by a vote of 40 to 17. Also, the act to incorporate the Merchants and Planters' Bank of Savannah, by a vote of 41 to 20.

*Augusta.*—The name of the *Brunswick Bank* at Augusta, has been changed by Legislative enactment to that of the Union Bank.

*Savannah.*—The act to incorporate the Exchange Bank of Savannah was passed by the Senate on the 7th February.

*Dalton.*—The bill for the incorporation of the Planters and Mechanics' Bank of Dalton was rejected by the Senate on the 7th February. The act to incorporate the South Western Bank, at Fort Gaines, was passed by the House of Representatives.

*TENNESSEE.*—The Branch of the Bank of Tennessee at Clarksville has declared a dividend of 9½ per cent. on the actual capital, being the net profit on the business of the past six months. This bank, as shown by their report recently made to the Committee on Banks, has not made a bad or doubtful debt for the last six years. D. N. Kennedy, Esq., cashier of the Branch at Clarksville, has resigned, and engaged in the private banking business, under the style Kennedy & Glenn. The Board of Directors unanimously adopted a series of resolutions highly complimentary to the retiring cashier.

*KENTUCKY.*—In the Kentucky Legislature a bill has been introduced to incorporate the Merchants and Drovers' Bank.

**MISSOURI.**—The German Savings Institution, at St. Louis, was recently established under favorable auspices at that city. By virtue of privileges granted by its charter, this institution transacts a regular banking business in all its legitimate branches, with the single exception of the issue of notes as a currency. The bank capital at present and of late years in St. Louis has been only \$600,000, a sum totally insufficient to meet the wants of the merchants. Several private banking firms with large capital are established in that city, and doing a large business in domestic and foreign exchange, reception of deposits, &c.

**INDIANA.**—The Wayne Bank, at Logansport, has been chartered under the Free Banking Law of Indiana, and has deposited \$50,000 Virginia State Stocks as a basis of circulation. J. N. Partridge, Esq., President; F. M. Jennings, Esq., Cashier.

**Covington.**—The Bank of Covington has been organized under the general banking law of the State. C. A. Preston, Esq., President; E. H. Brown, Esq., Cashier.

**OHIO.**—On the 2d January last, J. L. Franklin, Esq., was elected President of the Bank of Circleville, in place of N. S. Gregg, Esq., who declined a re-election.

**Akron.**—J. W. McMillen, Esq., for some years Cashier of the State Branch Bank at Akron, was on the 6th February elected President of the Bank, in place of W. S. C. Otis, Esq., resigned; and A. M. Eberman, Esq., Teller, was at the same time chosen Cashier.

The Charleston (S. C.) Courier says:—A mercantile firm in Selma, writes to us to know whether the Bank of Charleston issues bills of the value of \$8, as according to Thompson's Bank Note Reporter, there are no genuine bills of that denomination. Mr. Thompson, however, is in error, inasmuch as the Bank of Charleston *does* issue bills of eight dollars, which, as we stated in the Courier of the 15th of April last, in correcting a similar mistake into which the Mobile Tribune had fallen, are circulated largely in Alabama, in consequence of the scarcity in that State of small change, and the \$5 bill law. There are, however, we understand, spurious bills of that denomination in circulation, and for the information of our Selma correspondents and the public generally, we would again mention that they have a vignette of a stage coach and horses, while the *genuine* have an engraving of a rail-road passenger car; the borders have a representation of a head with a helmet on it, but the *genuine* have a figure of Liberty on one side, and of Agriculture on the other. The counterfeits, moreover, are all signed H. W. Conner, President, while the *genuine* are signed Ker Boyce, President.

**ALABAMA.**—The bill to charter the Central Bank of Alabama, to be located at Montgomery, was passed on the 5th February.

**Alterations in Bank Notes.**—The most serious source of annoyance to banks, and of loss to the holders of bank notes, is that of *altered* notes from small to large denominations. These alterations, now so common, appear to be so easily made that counterfeiters prefer that to any other mode of fraud. The alterations are effected by a chemical process, by which the original name of the bank or denomination of the bill, is extracted, so that others, suited to the purposes of the counterfeiter, may be inserted. It is a desideratum with the banks to prevent these alterations, so much so that a committee have offered a reward of \$500 for the discovery of an effectual mode of guarding against the fraud, by the use of such ink or paper as will not admit of the alteration.

**Association of Banks for the Suppression of Counterfeiting.**—This Association held its annual meeting in this city yesterday, at 41 State street, a large part of the members being present, the president, Geo. W. Crockett, Esq., in the chair. The board of managers presented a printed report of their doings for the past year, which was accepted, and ordered to be circulated among the banks of New England, New York, and Canada. The following gentlemen were elected a board of managers for the ensuing year:—George W. Crockett, Henry M. Holbrook, Chas. B. Hall, W. H. Foster, J. M. Gordon, of Boston; Wm. Hyde, Ware; Henry W. Cushman, Barnardston; Isaac Davis, Worcester; J. M. Thompson, Springfield; Moses Wood, Fitchburg;

James G. Carney, Lowell; Life Baldwin, Brighton; James B. Congdon, New Bedford; John A. Appleton, Haverhill; Joseph S. Cabot, Salem. At a subsequent meeting of the board of managers, they were organized as follows:—Geo. W. Crockett, chairman; Henry M. Holbrook, treasurer; James M. Gordon, secretary; and W. H. Foster, H. M. Holbrook, James G. Carney, J. M. Thompson, J. M. Gordon, executive committee.

**Counterfeits.**—The Boston Association of Banks has offered \$500 reward for an invention to prevent the alteration of bank notes.

To chemists and others: In order to prevent the loss and annoyance occasioned by the alteration of bank notes, either by changing the name of the bank, or the denomination of the bill, as practiced by counterfeiters, and to procure an effectual barrier to such practices, by encouraging the invention of materials, such as ink and paper of a nature to afford in either or in any combination of them, the desired protection—*The Executive Committee of the Association of Banks for the Suppression of Counterfeiting* will pay the sum of FIVE HUNDRED DOLLARS to any person who shall invent the best mode, in the opinion of the Committee, of accomplishing the object named.

All plans to be submitted to the undersigned on or before the 25th day of March next, and to be accompanied with such explanations of the materials and processes used as the party applying may be willing to disclose. Each applicant to lodge with the Treasurer of the Association, Henry M. Holbrook, Esq., for the term of three months, the sum of one hundred dollars, which shall be paid to any person who shall, during that time, alter, by removing and printing anew, any material portion of a bill or note prepared in accordance with the plan submitted, in such a manner that the alteration would, in the judgment of the Committee, be likely to pass unsuspected. And if at the end of said three months, no one has been able to effect such alteration, and the Committee are satisfied that the materials proposed will stand all the tests which the present knowledge of chemistry affords, then the hundred dollars will be returned, and the reward paid over to the successful applicant, and the hundred dollars deposited by each of the other applicants to be returned to them respectively.

Per order of the Executive Committee.

J. M. GORDON, Secretary, *Columbian Bank*.

## Notes on the Money Market.

NEW YORK, FEBRUARY, 24, 1854.

*Exchange on London, sixty days' sight, 8½ @ 9 premium.*

THE money market of New York continues to exhibit more favorable features, and is gradually assuming a condition of comparative ease. The rates on loans are becoming more favorable to the borrower, indicating a healthy domestic trade, as well as a foreign one, and also indicating a largely growing capital.

Our last quotations of sterling bills were 9 a 9½ premium. We now quote a further reduction of ¼ a ¼ per cent. in all the grades of sterling bills. Bankers' signatures at sixty days on London, for the present week's steamer, are 8½ a 9, with few operations above 8½.

At these rates no specie will be shipped to Europe. The steamers now go without coin. Up to the 18th instant, the total export for February from this port was only \$199,700, and for the month of January, \$1,845,600, making a total this year of \$2,045,300 against \$1,829,800 in 1853, and \$5,095,700 for the same period in 1852.

For prime commercial paper the current rates in the street are 7 a 9 per cent.; nearly all the paper of this character is now readily taken at the banks, and the rates on business paper less known may be quoted at 9 a 12 per cent. The cessation of shipments of coin to Europe has enabled our banks to fortify themselves, showing their condition at this moment to be quite as strong as at any period within the past two or three years. Their loans, deposits, coin, circulation, and the coin held by the Sub Treasury, are shown in the annexed table:

Date.	Loans.	Specie.	Circulation.	Deposits.	Sub-Treasury.
Feb. 26, 1853,	\$95,274,876	\$8,991,680	\$9,274,026	\$57,556,507	\$5,279,000
June 11, "	95,520,656	12,174,509	9,084,106	59,078,171	7,546,000
Aug. 6, "	97,899,617	9,746,452	9,510,465	60,994,568	8,406,000
Sept. 10, "	91,108,347	11,890,698	9,597,886	57,645,164	8,907,000
Sept. 24, "	90,092,765	11,340,925	9,477,541	58,812,884	10,189,800
Oct. 8, "	89,128,998	10,266,602	9,678,453	57,905,760	9,899,400
Oct. 22, "	85,867,981	10,808,254	9,888,548	55,748,729	8,124,000
Nov. 5, "	88,092,630	11,771,880	9,492,158	55,500,977	6,408,000
Nov. 19, "	83,717,622	18,691,824	9,151,448	57,406,424	5,694,200
Dec. 3, "	85,824,756	12,880,772	9,183,586	58,485,207	4,788,800
Dec. 17, "	87,865,078	12,166,020	8,939,580	58,812,478	4,176,600
Jan. 7, 1854,	90,138,867	11,506,124	9,075,129	60,885,862	2,500,000
Jan. 14, "	90,010,012	11,894,453	8,668,844	58,896,906	2,864,800
Jan. 21, "	90,068,738	11,455,156	8,605,235	59,071,252	3,580,500
Jan. 28, "	89,759,465	11,117,958	8,642,677	58,289,577	4,469,600
Feb. 4, "	90,549,577	11,694,658	8,096,067	61,208,466	5,823,100
Feb. 11, "	91,434,022	11,872,126	8,994,083	61,021,817	5,671,700
Feb. 18, "	92,698,085	11,742,834	8,954,464	61,826,669	6,568,800

From these it would seem that a gradual expansion is going on among the banks, which is fully authorized by the accumulating coin in their vaults. The clearings at the Clearing House, Wall-street, are upwards of one hundred millions of dollars per week: requiring the use of less than one million of dollars per day in paying balances, and this sum is mostly composed of certificates.

The duties received at this port continue very heavy, showing an increase when compared with the enormous business of last year. The coin in the Sub-Treasury at the end of December was about \$3,800,000 at this port. At the end of January, \$4,500,000, and is now nearly seven millions. The coin on hand at all the depositories on the 25th ult. was \$23,951,945.

The only State loan at present in the market, is that of the State of North Carolina, for the sum of \$500,000, bearing six per cent. interest. A prior loan of this State was taken in March, 1853, at 105.2, by Messrs. Cammann & Co., bankers, of New York, and a second, also for \$500,000, in October last, at 103: the whole loan being taken for account of the sinking fund of Alabama.

Virginia will require the negotiation of several millions of dollars within a few months. It is stated that the demand for United States Securities in the London market continues very active, and prices well supported. The leading feature in the market is the issue of Virginia Five per cent. Stock Sterling Bonds, at the price of 98, redeemable at par in 1863; principal and interest both payable in London.

The public credit of California has sustained no trifling injury by the neglect of her fiscal agents to provide payment of the interest due on the bonds in January last. No remittances were received for the semi annual interest due and payable here on their State bonds. It is a culpable neglect on the part of the fiscal agents of that State, and one that would have worked irreparable injury to California credit, had not other friends of the State come forward and paid the interest, to the amount of some sixty or eighty thousand dollars. The government of California will, of course, see the propriety of appointing fiscal agents at this point, where their interest should be payable.

Sales of Californian Seven per Cents. have been made this week at 87½ a 88. The civil debt of the State, on the 1st January last, was \$2,077,196, and the war debt \$924,259, making a total of \$3,001,455. More than half of this bears seven per cent. interest.

The intelligence from San Francisco shows that that market is overburdened with goods from the Atlantic cities, and consequently, a heavy decline in prices is sustained, resulting in severe losses to the shippers.

The most important feature in the recent financial intelligence from France, is the advance in the rate of interest by the Bank of France from four to five per cent. This step had not been anticipated at Paris, although the Bank of France had lost 15,000,000 francs in coin since October last; but in England the change for some time had been looked for.

The official exhibits of French revenue show quite an improvement as compared with late years; but Austria, Spain and Portugal are retrograding daily, and their credit is at a low ebb.

The export of breadstuffs from this country to Europe continue large, and have already produced a favorable effect upon the foreign exchanges. There is still a large portion of the present year's cotton crop on hand, holders having held back for a rise of prices in Great Britain and on the continent. The present year promises to be quite as productive in the export of breadstuffs and articles of food as the noted year 1847, which produced over sixty-seven millions of dollars in the foreign export alone.

The importance of these articles as sources of wealth is shown in the annexed table of annual exports for each fiscal year from June 30, 1847, to June 30, 1853.

Total value of the Exports of food to foreign countries from the United States, from 1847 to 1853, inclusive, the fiscal year ending on the 30th June.

ARTICLES.	1847.	1848.	1849.	1851.	1852.	1853.
Beef and Cattle,	\$2,494,003	\$1,905,841	\$2,053,953	\$1,639,953	\$1,500,429	\$2,214,534
Butter and Cheese,	1,741,770	1,861,663	1,654,157	1,124,652	779,391	862,343
Pork, Bacon, Lard, and Hogs,	6,630,842	9,008,272	9,245,885	4,868,015	8,765,470	6,202,224
Sheep,	29,100	20,828	16,315	18,875	16,291	17,806
Wheat,	6,049,850	2,669,175	1,756,543	1,025,732	2,555,209	4,254,403
Flour,	28,183,511	13,194,109	11,280,583	10,524,831	11,869,143	14,783,394
Indian Corn,	14,395,212	8,587,483	7,968,369	1,762,549	1,540,225	1,374,077
Indian Meal,	4,301,334	1,807,601	1,169,625	622,866	574,350	709,974
Rye Meal,	225,502	174,566	213,243	145,802	64,476	84,186
Rye, Oats, and other Grain,	600,900	876,573	139,793	120,670	384,471	165,324
Ship Bread,	556,266	619,196	364,318	354,256	318,899	454,020
Potatoes,	109,062	86,277	53,318	79,314	115,131	152,669
Apples,	92,261	88,944	93,904	71,367	49,685	107,263
Rice,	3,605,896	2,331,524	2,569,363	2,170,927	2,471,029	1,637,653
Sugar,	25,483	8,801	24,806	29,170	21,057	33,354
	\$67,931,492	\$37,485,547	\$39,682,273	\$24,106,514	\$26,972,326	\$33,194,351

The government revenues are increasing rapidly at all the points of collection. The balances on hand on the 26th ult. amounted to \$23,118,716. The Treasury Department gives notice, under date 1st inst., that the public loans will be purchased on the following terms:

1. The par value, or amount specified in each certificate.
2. A premium on the stock of the loan authorized by the act of July, 1846, redeemable November 12, 1856, of six per cent.; on the stock of the loan authorized by the act of 1842, redeemable 31st December, 1862, of fifteen and a half per cent.; on the stock of the loans authorized by the acts of 1847 and 1843, and redeemable, the former on the 31st December, 1867, and the latter on the 30th June, 1863, of twenty-one per cent.; and on the stock of the loan authorized by the act of 1850, and redeemable on the 31st of December, 1864, (commonly called the Texan indemnity,) ten per cent.
3. Interest on the par of each certificate from the 1st of January, 1854, to the date of receipt and settlement at the treasury, with the allowance (for the money to reach the owner) of one day's interest in addition.

The amount of the government debt rendered by purchase between July 1, 1852, and December 3, 1853, was \$16,004,929.

The following table will show the amount of United States Stocks redeemed at the Treasury Department during the week ending on Saturday, 13th inst., and the amount of the public debt outstanding.

Loans.	Outstanding Feb. 11, 1854.	Redeemed since.	Outstanding Feb. 13, 1854.
1842, . . . . .	\$6,399,625 54	\$900	\$6,399,725 54
1843, . . . . .	40,400 00	500	39,900 00
1846, . . . . .	3,534,900 00	58,300	3,476,600 00
1847, . . . . .	19,570,050 00	15,000	19,555,050 00
1848, . . . . .	14,051,591 80	4,000	14,047,591 80
Texan indemnity, Do. not issued,	4,756,000 00 5,000,000 00	.... ....	4,756,000 00 5,000,000 00
	\$53,352,567 34	\$78,600	\$53,273,967 34
Old funded debt,	114,118 54	....	114,118 54
Treasury notes outstanding,	114,511 64	....	114,511 64
Debt of corporate cities.	24,000 00	....	24,000 00
Total,	\$53,605,197 53	\$78,600	\$53,526,597 53

A bill has been introduced into the legislature at Albany, for a radical change in the usury laws of the State. At present the Statute renders utterly void all usurious contracts in this State.

## DEATHS.

In Providence, R. I., Saturday, February 11th, in the eighty-third year of his age, **ELMIRA DINE, Esq.**, President of the Union Bank, of Providence.

In Fayetteville, N. C., on Saturday, February 4th, in the sixty-third year of his age, **JOHN W. WRIGHT, Esq.**, Cashier of the Branch Bank of Cape Fear at that place.

THE  
BANKERS' MAGAZINE,  
AND  
Statistical Register.

VOL. III. NEW SERIES.

APRIL, 1854.

No. X.

FRAUDS UPON THE GENERAL BANKING LAW.

THE MERCHANTS AND MECHANICS' BANK, OF OSWEGO.

It has been frequently suggested, that the general banking law of this State is subject to frauds and evasions by the establishment of mere banks of circulation, at remote points in the State. It has been shown that such banking concerns possessed little bona fide capital, were frequently controlled by irresponsible men, and at times with fraudulent intent. The requisites of the law, to the effect that each bank should have a locality and a bona fide business, have been frequently evaded; creating thereby a spurious system of banking operations, and a currency that may be termed illegitimate, inasmuch as it was intended to be circulated any where else than near its own counter.

For some years after the adoption of the general law, this species of illegitimate banking became general and likewise profitable, the bills being bought up at a rate of discount varying from  $\frac{1}{2}$  to 1 per cent., and being immediately afterwards re-circulated at par among the needy. Thus the better and more solid currency became superseded by that of an inferior character.

The Metropolitan Bank system, adopted in April, 1851, was the means of correcting this evil in a large degree, and has since forced a large number of these small concerns to be put in liquidation. The last quarterly report of the Bank Department shows, that no less than thirty-four of



the banks of circulation are now either voluntarily or compulsorily closing their affairs.

One of the instances brought to light is that of the "Merchants and Mechanics' Bank, of Oswego," which was originally established at Oswego, afterwards at Syracuse, and finally at North Granville, at which latter point it became insolvent.

A special report, made by an agent of the Bank Department, and submitted to the Legislature in February last, makes known to the public some of the *machinery* by which bankers in Wall-street carry on banking in inaccessible portions of the Adirondack Hills and other remote sections of this State; besides extending their business to the fruitful soil of Indiana and Illinois.

The facts elicited show that the Bank was formerly located at Oswego, but was on the 16th day of May last sold out bodily to other parties, and by them transferred for active operations (?) to North Granville. The assignment or sale was made to Mr. Spencer, at North Granville, who was appointed President of the Bank at a salary of \$200 a year.

The quarterly reports of June and September, 1853, were sworn to by Mr. Spencer, showing "loans and discounts" \$1,131, and specie \$253 11. But in the affidavit made by the President, he says that he did not read the items sworn to by him, "*his eyes being weak!*" The following is a part of his deposition:

"There was no particular time for keeping the room open used as a banking room. There have been no regular bank hours. I could be found at almost any time if any person wished to do banking business with me. The quarterly reports rendered by me to the Superintendent were brought here in blank by Pinckney, and filled up by him here, and I then swore to them. I have no personal knowledge of the correctness of the items mentioned in those statements. (Copy of the Quarterly Report dated 17th September, 1853, exhibited to witness.) The items, 'loans and discounts, except to directors and brokers, \$1,131' in this statement, I cannot explain from personal knowledge; no such loans or discounts were ever made by the bank at Granville, nor does any such statement appear on any books there; if made at all, they must have been made by the parties in interest, and by whom I was informed that such business had been done. The same is true of the item 'specie, \$253 11.' No such amount was ever in the Bank at Granville; I cannot explain in any other way the item of capital '21,592 11; I have no knowledge of any capital except the \$400 as above stated; there was no other ever in my charge, to my recollection or belief. With respect to the following items in the report dated June 11, 1853, 'loans and discounts, \$1,798 81, cash items, viz., in hands of agent in New York, \$1,087 50, and capital, \$23,130 31,' I cannot explain them from any personal knowledge I have on the subject. The same is true of these items as of those in the September report, to which my attention has been called; I never read either of those reports, my eyes being weak; I heard them read by Pinkney before swearing to them; whether he read them correctly or not, I do not know; I have no recollection of the items to which my attention is now called."

It would seem that the bills of the Bank were redeemed by the firm of Tanner & Co., Wall-street. Of the changes effected by the removal of the Bank (?) to Granville, the report says :

"The Bank was now ostensibly organized under its new owners. Mr. Fayette L. Spencer, the brother-in-law of Mr. Pinckney, was appointed president. He had been a lawyer, but was then, and still is, out of practice, in consequence of defective eye-sight. He was not to have and never had the slightest interest in the Bank, but was merely to 'stand as President' at Granville, and was to receive \$200 per year for his services. The books and furniture of the Bank were shipped by Mr. Smith from Syracuse, per canal, to Mr. Spencer at Granville, and arrived there early in June. They were placed in a room in Mr. Spencer's dwelling, and the words 'Merchants and Mechanics' Bank' inscribed over the outer door. This dwelling is three miles from the nearest rail-road station, and one mile from the principal part of the village of North Granville. This is all the property of the Bank ever received by Mr. Spencer. An inventory thereof is annexed to his deposition; its total value is estimated by him at \$15.

"Tanner & Co., No. 70 Wall-street, New York, were the redeeming agents of the Bank at the time of its transfer by Smith, and so continued under its new owners. This firm was and is composed of James M. Pinckney, and his nephew, Edward P. Tanner, a lad nineteen years of age, and for some months past a clerk in the American Exchange Bank, New York. He knows nothing of the business of Tanner & Co.

"Mr. Pinckney testifies that the firm of Tanner & Co. never had any funds of the Bank wherewith to redeem its circulation, except between \$500 and \$600 received upon paper which had been discounted previous to its transfer; that the redemptions, which averaged \$3,500 per day, were made from the private resources of Tanner & Co., who kept as their own the bills thus redeemed; that some of these bills were exchanged for other circulation at a quarter per cent. discount, and some of them were used for the purpose of effecting loans wherewith to redeem; that such loans were made from brokers for short periods, at exorbitant rates of interest, and the bills of the Bank deposited, at twenty per cent. discount, as security for the amount loaned; that the sums borrowed not being repaid at the times specified, the bills were forfeited to the lender; that about \$14,000 of the circulation was thus forfeited to different parties; that some of these loans were effected by himself personally, and some by his clerk, Mr. Howe, for Tanner & Co.; that no books were kept showing the amount redeemed, and no account between Tanner & Co. and the Bank; that he never did any banking business of any description in the name of the Bank, and never had possession or control of any of its property or effects, except the \$500 or \$600 above mentioned."

We annex further quotations from the report, as showing the abundant facility with which such official 'Quarterly Returns' are made for the *weak eyes* of their readers :

"The quarterly statements were brought in blank by Pinckney to the Bank at Granville, there filled up by Pinckney and read to Spencer, and

by the latter signed, sworn to and filed in your office. He now swears that he had no personal knowledge of the correctness of the items mentioned in those statements; that no such 'loans and discounts' as are mentioned in the statements were ever made by the Bank at Granville, nor does any such statements appear in any book there, nor can he explain those items from any personal knowledge on the subject; that the same is true of the item 'specie, 253 11,' in the September statement; that no such amount was ever in the Bank at Granville; that he cannot explain the item 'cash items in hands of agents in New York, \$1,087 57,' in the June statement; that he cannot explain the item 'capital' in either statement. \* \* \* \* Taking all the circumstances in consideration, I have no hesitation in reporting that the statement of Mr. Spencer, the President of the Bank, is the correct one, and that the items of loans and discounts, specie and cash items, in the quarterly reports, are partially or wholly fictitious.

"As to the pecuniary responsibility of the parties concerned in the Bank, Mr. Pinckney states himself to be insolvent. Mr. Spencer, when interrogated as to his means, declined to answer the question, on the ground that it appeared that he had no interest in the Bank, and, therefore, the evidence could not be relevant. Mr. James is reputed to be a man of some property."

The mode of procuring the basis of redemption is thus explained in the deposition of Mr. Pinckney:

"The Bank is insolvent; it cannot redeem its circulation. It owes nothing except its outstanding circulation, and neither the Bank nor Tanner & Co. have any funds wherewith to redeem its circulation. It stopped redeeming the 6th day of January last. The first lot of bills which we refused to redeem were \$5,600 or \$5,800 presented by the American Exchange Bank on that day. Up to the 6th day of January, Tanner & Co. advanced the funds to redeem with. The Merchants and Mechanics' Bank of Oswego never furnished Tanner & Co. with funds to redeem with. All the funds they ever had to redeem with were furnished by themselves, except the amounts paid on the two notes I have mentioned. The amount redeemed will average \$3,500 per day. There are no books which will show the amount redeemed each day. Tanner & Co. had funds of their own with which they redeemed the circulation. Tanner & Co. took the bills thus redeemed and kept them as their own; they then changed them off as before stated; some of them I hypothecated with different individuals, to secure them the amounts Tanner & Co. owed them. Some were hypothecated at their face, and some at twenty per cent. margin."

There was some doubt in the mind of the Superintendent of the Bank Department as to the validity of the mortgages held on account of the "Merchants and Mechanics' Bank of Oswego;" and from the following language used by Mr. Pinckney, it would seem that the proprietors had also doubts on the subject. The result was, that the Bank Department refused peremptorily to issue any further bills in return for the cancelled and mutilated ones.

"I knew there were some suspicious circumstances about the mortgages

held by the Superintendent; I had heard there were some squatters on the mortgaged premises, but believed then, and believe now, that the title to the property is perfect, and that it is worth much more than it is mortgaged for. I filled up the quarterly reports made to the Superintendent. I filled them up in the Bank at Granville, for the reason that Mr. Spencer's eyes were weak, and he could not see very well. I got the items from the books of the Bank there; don't remember who made those entries in the book; some of them may have been made by me and some by Mr. Spencer. I filled in the items and then read them correctly and distinctly to Mr. Spencer. I can't say that I read the affidavit to him!!

"On the 6th of January, Tanner & Co. had on hand about \$40 of the notes; they are on hand yet; I myself had none on hand; this \$40 is all that is now on hand; neither the Bank nor Tanner & Co., nor either of them, had the possession or the control of more than that amount on the 6th of January or since; the President of the Bank and myself and Mr. James have solicited the Superintendent at different times to issue new bills for the wore-out circulation of the Bank; the last time was about the 1st of November last; we wanted new notes for the entire circulation; can't tell how much circulation we had on hand at those times; cannot guess the amount; we may have had some \$6,000 or \$8,000, at the time of the purchase of the Bank from Smith."

We notice these transactions at length, not from any importance belonging to the so-called Bank itself, but to show to our readers how easily the bank law, as at present constructed, can be evaded and prostituted; and that the real objects of the law makers, and of all friends of a true and legitimate currency, are in this way frustrated.

It now depends upon the legislature to establish more stringent features upon the banking system, to punish fraudulent bank returns, and to prohibit the establishment of mere banks of issue.

To ensure this, it is necessary that every banking concern shall have a *bona fide* capital of at least one hundred thousand dollars; be owned by residents of the place where established; satisfactory proof be given to the Banking Department that the operations are *bona fide*. Without this security, and more coercive powers given to the Bank Department, the general law will fail in its benefits to the community.

City Stocks would be a more secure basis for bank issues than the present system of bonds and mortgages. The city bonds are themselves a mortgage upon property within their respective limits, and would be more readily converted into cash means in time of pressure, and without danger of fraud as now practiced.

## FINANCIAL EVENTS OF THE YEAR 1853.

## IN THE UNITED STATES.

- Jan. 1. Charters expired of the Bank of America, Bank of New York, Butchers and Drovers' Bank, Union Bank, New York City; Bank of Geneva, Bank of Troy, Catskill Bank, Farmers' Bank, Troy, Mohawk Bank, Mechanics and Farmers' Bank, Albany.
- " 6. The Shoe and Leather Bank, New York, commenced business.
- " 6. The Lexington and Maysville Rail-Road loan of \$300,000, negotiated in New York, at 86½ to 87¾.
- " 14. New law passed in Alabama prohibiting the circulation of bank bills under \$5.
- " 19. Jersey City Six per cent. Water loan of \$300,000 negotiated in New York, at 103.59 to 105.
- Feb. 1. The Corn Exchange Bank, New York, commenced business.
- " 1. Loan of \$3,000,000, seven per cent., negotiated by the New York and Erie Rail-Road Company.
- " 7. The Continental Bank, New York, commenced business.
- " 8. Six per cent. loan of the Baltimore and Ohio Rail-Road Company, \$1,200,000, negotiated in New York, at 91.17 to 95.20.
- " 8. The St. Nicholas Bank, New York, commenced operations.
- " 16. Loan of the Catawissa, Williamsport and Erie Rail-Road, \$800,000, at seven per cent., negotiated at 92 a 94.
- " 19. Loan negotiated of the York and Cumberland Rail-Road bonds, \$500,000, guaranteed by the City of Baltimore, at 103.53.
- " 21. Law passed by Congress authorizing the purchase of silver by the Mint at a premium, for the purpose of making small and depreciated new coins.
- March 1. Parkersburg Rail-Road Company Six per cent. loan of \$2,500,000, negotiated in New York, \$1,500,000 at 100.90, and \$1,000,000 at 101.
- " 10. Woodbury Bank, Conn., and the Eastern Bank, Killingly, Conn., failed.
- " 31. North Carolina State Six per cent. loan of \$500,000 taken at 105, 2 per cent.
- April 18. Wisconsin State Six per cent. loan of \$50,000 taken at 106 04, average.
- " 18. The Mint commenced making gold bars.
- May 5. Bank of the Commonwealth, New York, commenced business.
- " 28. Dividend of 85 per cent. declared by the Bank Department, Albany, on the notes of the broken Farmers' Bank of Onondaga.
- June 1. Missouri State Six per cent. loan of \$200,000 negotiated in New York, at 104.74.
- " 8. Rail-road Convention held at Buffalo.
- " 14. Homer Ramsdell elected President of the New York and Erie Rail-Road Company.

- June 15. Illinois Central Rail-Road Company seven per cent. loan of \$3,000,000 negotiated in New York, at par.
- " 25. Loan of the Galena and Chicago Union Rail-Road Company, \$315,000, negotiated in New York, at 95 to 98.25.
- July 10. The Sixpenny Savings Bank, at New York, commenced operations.
- " 26. Sub-marine Telegraph wire laid across the Ohio River, at Paducah.
- " 30. The Treasury Department offer to redeem United States Six per cents. of 1867, '68, at 120.
- Aug. 1. New law of New York for the publication of weekly bank reports went into effect.
- " 2. The Atlantic Bank, New York, and the National Bank, Boston, commenced business.
- " 9. Pennsylvania State Five per cent. loan negotiated.
- " 9. First weekly statement of the New York City Banks published.
- " 13. Louisiana State Six per cent. loan of \$750,000 taken by J. Corning & Co., at par.
- " 16. The Webster Bank, Boston, commenced business.
- " 23. The Howard Banking Company, Boston, commenced business.
- Sept. 5. Books of subscription opened at New Orleans for the stock of the revived Citizens' Bank of New Orleans.
- " 30. North Carolina State Six per cent. loan of \$500,000 negotiated in New York, at 103.
- Oct. 10. Suspension of Simeon Draper, banker, of New York, announced.
- " 11. The New York Clearing House commenced operations.
- " 19. Suspension of Messrs. Jacob Little & Co., New York, announced.
- Nov. 4. Failure of Mr. H. Dwight, Jr., banker, New York, announced.
- " 5. Patchin Bank, Buffalo, failed.
- " 7. Bank of Massillon, Ohio, failed.
- Dec. 17. Run on the Baltimore Savings Bank.
- " 26. (Monday, 26th.) observed as a holiday, and the banks, insurance companies, &c., closed.

#### FINANCIAL EVENTS OF THE YEAR 1853.—IN EUROPE.

- Jan. 6. The Bank of England directors raise the rate of discount to  $2\frac{1}{2}$  per cent., in the face of a stock of bullion exceeding £20,500,000, and the payments of the dividends on the 8th inst. Prices at the Stock Exchange immediately affected.
- " 6. Failures on the French Bourse, arising from the break up of speculative operations.
- " 11. Arrival of the Australian steamer with £880,000 on freight, in addition to a considerable sum in the hands of passengers.
- " 20. The Bank directors raise the rate of discount to 3 per cent. General depression in the stock market.
- Feb. 3. West India relief loans of £193,000, principally for Demerara, Trinidad and Jamaica, accepted by the Atlas Assurance Company, at prices ranging from £109 4s. 6d. to £109 17s. 6d.

Feb. 16. The interest on Exchequer (March) bills reduced to 1d. per diem, or  $1\frac{1}{4}$  per cent.

" 18. The Sydney (Australian) steamer arrives with remittances amounting to nearly £800,000.

" 21. Difficulties between Russia and Turkey, and reported intervention of England and France.

" 23. Suspension of Mr. L. Goddard announced, in the iron trade.

April 1. Proposed re-construction of the Bank of Constantinople.

" 5. John Gellibrand Hubbard elected President of the Bank of England.

" 9. Suggested arrangement for the conversion of a portion of the National Debt, comprising South Sea stock, South Sea annuities, bank annuities, &c., amounting in all to about £9,500,000, and introducing new securities, such as Exchequer bonds and  $2\frac{1}{4}$  per cent. stock.

" 12. The Turkish scripholders apprized that their claims were to be discharged, with a premium equal to £3 8s. per cent.

" 18. The Chancellor of the English Exchequer (Mr. Gladstone) brings forward his budget, providing for the abolition of the soap and the gradual reduction of the tea duties, a further modification of the tariff and stamp acts, the extension of the income tax to £100 per annum, and the establishment of a succession duty.

" 28. The failure of Mr. J. Attwood, in the iron trade, announced.

May 9. Bill for the commutation of South Sea annuities and other minor stocks receives the royal assent.

" 10. Books opened at the Bank of England and South Sea House to receive the assent of fundholders, but the progress made very limited.

" 13. The *London Gazette* publishes the Treasury minutes giving authority for the issue of Exchequer bonds, and also a notice permitting an exchange of Exchequer bills into such securities.

" 16. The rate of interest upon Exchequer (June) bills reduced to 1d. per diem, or  $1\frac{1}{4}$  per cent.

" 27. The alleged retirement of Prince Menchikoff from Constantinople causes a temporary panic in prices.

June 2. The Bank of England directors raise the rate of interest to  $3\frac{1}{4}$  per cent.

" 9. Uneasiness in relation to the maintenance of peace causes Consols and other securities to decline.

" 19. Suspension of Messrs. Wrampe & Co., in the Baltic trade; liabilities about £50,000.

July 6. The new sugar duties come into operation in Great Britain.

" 9. The wages movement commence, and is attended with success in various parts of the country.

" 14. Increased apprehension with regard to the Turco-Russian dispute, and further gloom and depression in the English money market.

July 30. Strikes throughout London and the provinces rapidly extending.

Sept. 1. The directors of the Bank of England raise the rate of discount to 4 per cent.

" 14. Rejection of the proposed modifications by Russia, and consequent panic at the Stock Exchange. The increasing value of money evident in all quarters. Settling day in the railway share market. Four failures announced.

" 15. The Bank of England raise the rate of discount to  $4\frac{1}{2}$  per cent.

" 22. Austria is stated to have withdrawn herself from the conference, not agreeing in points of detail with the other powers. The funds again considerably agitated, and Consols recede to 94.

" 24. English and French fleets reported as about to enter the Dardanelles for the protection of mercantile interests. Consols fluctuate greatly, the impression being that war between Turkey and Russia cannot be avoided.

" 27. The panic feeling continues, and Consols are quoted at 90 $\frac{3}{4}$ .

" 28. First intelligence received of the over-glutted state of the Australian markets, and the consequent depreciation in prices.

" 29. The Bank of England raise the rate of discount to 5 per cent. General pressure in the money market, and the ordinary terms for the negotiation of long-dated paper are 6 per cent.

Oct. 3. Declaration of war by Turkey against Russia, unless the Principalities are evacuated within fifteen days: and fresh disturbance in values at the Stock Exchange.

" 6. The Bank of France raise the rate of discount from 3 to 4 per cent.

" 8. The rate of interest on Exchequer bills is advanced from 1d. to 2d. per diem, to commence from the official quarter, the 11th. Previously to this intimation, these securities had sunk to 17s. discount.

" 10. Voluntary conversion under the South Sea Annuities Bill closed.

" 11. The penny stamp receipt brought into operation.

" 24. The French Finance Minister raises the rate of interest on Treasury Bonds 1 per cent., according to the dates they have to run.

" 25. Riots at Wigan, and general disturbance, through strikes.

" 26. The rate on India Bonds raised from  $2\frac{1}{2}$  to  $3\frac{1}{4}$  per cent.

" 28. Intelligence received of the commencement of hostilities between the Russians and Turks.

Nov. 26. A fall in the funds of  $\frac{3}{4}$  per cent. suddenly takes place, it being intimated that private advices have come forward, stating that the Russians have passed the Danube in strong force. The exports of the precious metals to St. Petersburg during the week exceed £800,000.

" 30. The Emperor of Russia withdraws his agency from the Bank of England, and exports of specie, to the amount of £800,000, take place on his account.



Dec. 26. In consequence of Christmas day falling on a Sunday, the following day (26th) was observed as a general holiday throughout London. The Stock Exchange and other places for the transaction of public business were closed.

" 27th to 29th. The Stock Markets were unsettled, and prices declined.

" 30. Money on the Stock Exchange wanted amongst the jobbers, at the unusually high rate of  $4\frac{1}{2}$  to 5 per cent. on the deposit of stock, from day to day, or for a fortnight on, respectively; the customers of the private banks withdrawing their deposits, and placing them on call with the joint-stock banks and discount brokers, at 4 and  $4\frac{1}{2}$  per cent., indicating money to be getting dearer.

### THE BANK OF FRANCE.

The Paris *Constitutionnel* says :

"The Council of the bank adopted on Thursday a measure which has produced a certain sensation; it raised to 5 per cent. the rate of discount on commercial bills, and of advances on public securities and railway shares. It might have been expected for some time past that this measure would be carried into effect at one moment or another. It has not been forgotten that the bank, feeling anxiety with respect to the progressive diminution of its specie, occupied itself, six weeks ago, with the means of providing against it. Two projects were put forward: one consisted in reducing the maximum period for which bills had to run, the other in raising the rate of interest. The first was set aside, because it was calculated to cause perturbation in commercial relations; the second was considered as less injurious, and if it was not applied, it was because the Council of the bank did not consider the situation sufficiently grave to have recourse to it. But from that moment it might be foreseen that a new diminution of specie would lead to the adoption of a measure which was only adjourned. Commerce being warned, was able to a certain extent to prepare for it. It may be objected to the measure adopted by the bank, that it will not prevent what its object is to prevent—the exportation of specie. It is very certain that the exportation of gold and silver arises from a cause superior to any one's will. The deficit of the harvest has compelled us to derive a part of our subsistence from abroad; we must pay for the corn thus obtained, and we can only pay in specie. Thus whatever may be the rate of discount, specie will not the less continue to be exported in larger or smaller quantities. What then are the considerations which have dictated the determination of the bank? No doubt it would have desired, in the midst of present circumstances, to restrict the spirit of enterprise within the limits commended by prudence. But, if we are correctly informed, what has particularly induced it to act is, the exportation of specie to frontier countries to our detriment. Specie goes from the branch banks of Lille and Valenciennes to Belgium, and from those of Lyons and Grenoble to Piedmont. Belgium and Piedmont having, like us, need of gold and silver to pay their purchases of grain, dip into our metallic reserve. Now, if we must resign ourselves to the temporary exportation of a part of our specie, we must make it, so far as possible, serve to pay for our own purchases, and not those of neighboring nations. Our readers will understand, besides, that the bank is obliged to follow, in a certain measure, the variations which take place in capital. Assuredly it ought not to give the signal of a rise in interest; it should even resist, as much as possible, when an ascensional movement takes place; but when the causes which raise the price of money are general and persisting, it is difficult for it not to end by submitting to them. Several months ago, the Bank of England raised the rate of interest to 5 per cent.

## THE BANKING SYSTEM OF NEW YORK.

EXTRACTS FROM THE ANNUAL REPORT OF THE SUPERINTENDENT OF THE  
BANKING DEPARTMENT, UNDER DATE JANUARY 5, 1854.

*I. Banking Capital of New York. II. Extension of the basis of Banking. III. Bank Failure—Illegitimate Banks. IV. Codification of Bank Laws suggested. V. Weekly Bank Statements. VI. Outstanding Circulation of old Chartered Banks. VII. Banks winding up. VIII. Circulation of existing Chartered Banks.*

THE amount of capital employed in the business of banking, as reported by the banks, banking associations and individual bankers, on the 17th day of September, 1853, (the date of the last report,) was \$76,692,075; the amount reported on the 4th day of September, 1852, was \$62,207,216, which shows an increase of banking capital in one year, of \$14,484,859.

The total amount of circulating notes issued to banks, banking associations and individual bankers, and outstanding on the first day of December, was \$43,958,446.

To banking associations and individual bankers,....	\$23,743,716 00
To 60 incorporated banks,.....	15,889,356 00
To 19 banks, the charters of which have expired,...	4,325,374 00
	<hr/>
	\$43,958,446 00
The increase of circulation during the year was.....	\$8,494,684 00

In no previous year have so great a number of banks been established, or so large an amount been added to the banking capital of the State.

From the year 1843 to 1848, a period of five years, the increase of banking capital was \$735,512, and for the five years next succeeding, from 1848 to 1853, the increase has been \$32,936,986.

By an act of the Legislature, passed April 18, 1843, and the several acts amendatory thereof, every incorporated bank, banking association and individual banker in the State, are required to make, and transmit to the Superintendent, a quarterly report, containing a true statement of the condition of the bank, banking association or individual banker making such report. From these reports the statement marked B. has been compiled, showing the increase and decrease of the banking capital in each year, from 1843 (the time when quarterly reports were first required) up to and including the year 1853. From this statement it will be seen, that in the year 1845 there was a decrease of banking capital of \$379,378, and in the year 1846 a decrease of \$903,169; the largest increase in any one year, prior to the last, was in 1851, which was \$7,800,454, or a little over one half the amount which it has increased the present year.

As the propriety of enlarging the banking basis occupied the attention of a former Legislature, I have deemed it my duty to present this statement of facts in relation to the increase of banks and banking capital in our State, so that the Legislature may be able to judge whether increased facilities are demanded by the increase of business in the State, and the actual wants of the community.

The Superintendent, in his last annual report, recommended an extension of the basis for banking. That recommendation was predicated upon the supposition that no addition would be made to our State debt, and that the Legislature would pass a law requiring the Safety Fund banks whose charters have expired, to return their circulating notes to the department for destruction, thereby creating the necessity of an increased circulation based upon the deposit of securities in the Bank Department. The circulation of the banks whose charters have expired has not decreased any considerable amount. From June, 1849, to January, 1853, the charters of nineteen banks expired, the outstanding circulation of which was \$4,325,374, on the first day of December, 1853. See table marked C.

On the 1st day of January, 1854, the charters of five other Safety Fund banks will expire, the circulation of which amounts to \$1,548,278, (see table marked D.,) making the total amount of notes in circulation issued by Safety Fund banks, whose charters have expired, \$5,873,652.

The probable increase of our State debt to complete the enlargement of the canals, will furnish a large addition to the banking basis during the next three years; and should no other stocks be admitted as a basis for banking by the Legislature, it will insure a ready sale of the stock to be issued to the citizens of our own State for banking purposes on favorable terms to the interests of the State. Notwithstanding the high price of stocks and the difficulty of procuring them for banking purposes, it is believed that the increase of banks and banking capital in our State during the year has been fully adequate to the legitimate wants of the community.

It is for the Legislature to decide, whether the disposition so strongly manifested by the citizens of our State to engage in the business of banking, needs any further encouragement or should receive any new impulse by an enlargement of the basis. It is evident that the future welfare and prosperity of the State are closely connected with the banking interests, and that judicious and wise legislation in regard to the securities deposited for the redemption of circulating notes will alone protect the community from ultimate loss.

The Superintendent would respectfully recommend that the law should be so amended as to permit the banks to deposit United States stock exclusively, instead of requiring an equal share to be in stocks of this State.

The Farmers' Bank of Onondaga, (Horace Frizelle, banker,) failed to redeem the circulating notes issued to him in January last, and allowed the notes to be protested for non-payment and returned to this department. The securities held in trust by the Superintendent were sold and converted into cash, and a dividend of 85 per cent. was made to the bill holders. The bonds and mortgages held in trust were sold at public sale at a large discount. This bank was not a legitimate bank of discount and deposit, but a bank of mere circulation, without capital or resources beyond the securities deposited with the Superintendent, which proved insufficient to redeem the notes at par.

In the last annual report of the Superintendent, the attention of the Legislature was called to this class of banks. The suggestions contained

in that report have not been acted upon by the Legislature. Sound policy requires some further legislation, to prevent the abuses practiced by them, to preserve a sound and prosperous condition of the currency, and to protect the community from losses. The only failures of banks that have taken place in this State for the last eight years, by which the bill holders have been obliged to suffer a loss, have been banks of circulation, generally located in remote parts of the State, and owned in fact by brokers or speculators residing in sections of the State remote from the place where the bank purports to be located. Not a failure has occurred in any legitimate bank or banker, within the past eight years, the circulating notes of which have not been redeemed at par. To give stability to our system of currency, it is important that the community should have entire confidence in it; and this can only be done by requiring ample security for the redemption of all notes issued or put in circulation as money.

The Superintendent would respectfully recommend a general revision of the laws of the State relating to banking associations and individual bankers. In the administration of the duties of the Bank Department, the necessity of a revision and simplification of the existing laws is very apparent. The original act to authorize the business of banking was passed by the Legislature in 1838. The system of free banking was at that time an untried experiment; it could not be expected that an act framed without precedent and embodying an entirely new system of banking could be so framed as to make the whole perfect. Experience has shown, that although the system of free banking is a correct and wise one, and is ultimately to become the only one in our State, the original act was by no means perfect.

Since the time of the adoption of the system, almost every subsequent Legislature has, in some manner, amended the original act, or passed one or more acts in relation to banking associations and individual bankers. More than twenty different acts have been enacted, changing or modifying the law in important particulars, the result of which is, that for a period of fifteen years our statute books have been filled with laws in relation to banks, banking associations and individual bankers. These various acts seem to have been passed by the Legislature with a view to remedy particular defects as they were developed from time to time by the practical operation of the system. The consequence is, that the various laws passed by the Legislature at different times, and under different circumstances, have become somewhat incongruous, and would unquestionably be greatly improved by a judicious and thorough revision.

In 1841, the Legislature deemed it necessary to have the laws in relation to banking associations and individual bankers corrected and published in a condensed form. Section 10, chapter 319, Laws of 1841, is as follows:

"Section 10. It shall be the duty of the Secretary of State to publish with the Session Laws for the year 1841, a chapter containing the act to authorize the business of banking, passed April 18, 1838, as amended by subsequent enactments, showing in a corrected and condensed form the provisions of law at present in operation, affecting the associates or individuals now doing business under the said act."

At the present time, it would seem to be of small importance whether this section of the law was complied with, although it is believed that no action was taken under the act, as since that time eleven different acts have been passed; materially affecting and changing the laws then existing.

It is the more important that the statutes in relation to this subject should be made clear and explicit, as the decisions of the Superintendent, in relation to individual bankers, have in two instances been questioned, and in one case a resort to a judicial tribunal has been made, by a person claiming to be an individual banker under the law.

It is believed that the act, passed April 15, 1853, which requires all banks; banking associations and individual bankers, located in the city of New York, to publish a weekly average statement of their condition, as to loans and discounts, specie, deposits and circulation, has had a conservative and beneficial effect upon the monetary affairs of the State. It is true, that when the law was passed it was regarded by some of the prominent banks and bankers with some disfavor, but it has been acquiesced in, and complied with, with that cheerfulness and good spirit which has always characterized the intelligent legitimate bankers of our State. Arrangements were promptly made by the leading banks and bankers, in a liberal and generous manner, to comply with and to carry out the requirements of the law. A clearing house was organized and established in Wall-street, where the daily balances are adjusted and settled, which enables all the banks (now 57 in number) to settle their daily balances with each other, with far less inconvenience than under the old system.

*Table showing the time when the charters of twenty-four incorporated banks expired, and the amount of their circulating notes outstanding and not returned to the Bank Department, on the 1st day of December, 1853.*

<i>Name of Bank.</i>	<i>Charter Expired.</i>		<i>Circulation.</i>
Bank of America, New York City,.....	1st January,	1853,	\$326,235
Bank of Auburn,.....	1st "	1850,	160,000
Bank of Genesee, Batavia,.....	1st "	1852,	150,000
Bank of Geneva,.....	1st "	1853,	303,000
Bank of Ithaca,.....	1st "	1850,	55,263
Bank of Monroe, Rochester,.....	1st "	1850,	199,160
Bank of Newburgh,.....	1st "	1851,	141,890
Bank of New York,.....	1st "	1853,	281,229
Bank of Troy,.....	1st "	1853,	300,000
Bank of Utica and Branch,.....	1st "	1850,	256,947
Butchers and Drivers' Bank,.....	1st "	1853,	350,000
Catskill Bank,.....	1st "	1853,	174,190
City Bank, New York,.....	1st July,	1852,	162,082
Farmers' Bank, of Troy,.....	1st January,	1853,	225,000
Mechanics and Farmers' Bank, Albany,...	1st "	1853,	300,000
Merchants' Exchange Bank,.....	1st Mond. June,	1849,	132,867
Mohawk Bank, Schenectady,.....	1st January	1853,	153,431
New York State Bank, Albany,.....	1st "	1851,	231,343
Union Bank, New York City,.....	1st "	1853,	422,737
Jefferson County Bank,.....	1st "	1854,	200,000
Merchants and Mechanics' Bank,.....	1st "	"	246,122
Onondaga County Bank, .....	1st "	"	174,882
Otsego County Bank,.....	1st "	"	150,000
Pheux Bank, New York,.....	1st "	"	777,274
<b>Total,.....</b>			<b>\$5,873,652</b>

Nineteen individual bankers, and the officers of one banking association, who have given notice of their intention to discontinue the banking business, have returned over ninety per cent. of the circulating notes issued to them, and have given the notice required by section 8, chapter 319, Laws of 1841.

The following statement shows the names and locations of the banks; the amount of circulation outstanding on the 1st day of December, 1853; the amount of securities held in trust by the Superintendent; the date of the first notice to bill holders to present the same for payment, and the time when such notice will expire:

<i>Banks.</i>	<i>Outstand- ing circu- lation.</i>	<i>Cash and stocks in deposit.</i>	<i>Date of Notice.</i>	<i>Notice will ex- pire.</i>
Cortland County Bank, Ashford,	\$1,687	\$1,687 00	Dec. 1, 1851,	Dec. 1, 1853.
Merchants' Bank of Ontario Co.,	3,364	3,652 73	Feb. 22, 1852,	Feb. 22, 1854.
Adams Bank, Ashford,.....	739	739 00	June 2, 1852,	June 2, 1854.
Oswego County Bank, Meridan,	1,268	1,268 00	July 7, 1852,	July 7, 1854.
Sullivan Co. Bank, Monticello,...	883	1,088 09	Aug. 17, 1852,	Aug. 17, 1854.
Northern Bank of N. Y., Madrid,	5,856	6,055 00	Oct. 30, 1852,	Oct. 30, 1854.
Commercial Bank of Lockport,...	1,270	1,547 00	Oct. 30, 1852,	Oct. 30, 1854.
Prattville Bank, Prattville,....	2,641	.....	Nov. 30, 1852,	Nov. 30, 1854.
McIntyre Bank, Adirondack,....	1,587	1,587 00	Jan. 26, 1853,	Jan. 26, 1855.
Astor Bank, New York City,...	1,769	1,825 09	May 11, 1853,	May 11, 1855.
Franklin B'k of Chautauque Co.,	5,273	5,273 00	July 28, 1853,	July 28, 1855.
Amenia Bank, Leedsville,.....	6,032	6,032 00	Sept. 9, 1853,	Sept. 9, 1855.
Freemen's B'k of Washington Co.,	2,561	2,563 00	Sept. 9, 1853,	Sept. 9, 1855.
Lumberman's Bank, Wilmurt,...	3,167	3,167 00	Sept. 19, 1853,	Sept. 19, 1855.
Lake Erie Bank of, Frankfort,...	3,060	1,060 00	Sept. 23, 1853,	Sept. 23, 1855.
Merch'ts' B'k of Chautauque Co.,	13,269	13,269 00	Oct. 17, 1853,	Oct. 17, 1855.
Champlain Bank, Ellenburgh,...	6,749	6,850 00	Nov. 29, 1853,	Nov. 29, 1855.
American Bank, Mayville,.....	5,704	5,850 00	Nov. 29, 1853,	Nov. 29, 1855.
Kuickerbocker Bank of Genoa,...	8,460	8,500 00	Nov. 29, 1853,	Nov. 29, 1855.
Merch'ts' B'k of Washington Co.,	5,130	5,130 00	Dec. 5, 1853,	Dec. 5, 1855.

The notes of the following banks, which have failed to redeem the circulating notes issued to them, are redeemed on presentation at the Bank Department at the following rates, viz.:

I. Atlas Bank, stock and estate notes, 75 per cent. Atlas Bank, stock notes, 97 per cent. II. James Bank, notes, 91 per cent. III. Bank of New Rochelle, stock and estate notes, 81 per cent. Bank of New Rochelle, stock notes, par. IV. Farmers' Bank of Onondaga, notes, 85 per cent. V. Walter Joy's Bank, notes, par.

The number of mutilated notes returned to the Bank Department for destruction during the year, is 2,183,622, amounting to \$9,158,624; and unregistered notes of incorporated banks, 16,300, making, together, \$9,174,924; from which it will be seen that the notes counted and destroyed at the Department average more than \$29,000 for each business day in the year.

The annexed is a statement showing the names and localities of the 59 incorporated banks and one branch, of the State of N. Y.; the amount of capital authorized by law to be invested; the amount of notes authorized to have in circulation; the amount each bank had in circulation and on hand on the 1st day of December, 1853, and the years when their charters will expire respectively.

*Statement showing the names and localities of the 59 incorporated banks and one branch, of the State of N. Y.; the amount of capital authorized by law to be invested; the amount of notes authorized to have in circulation; the amount each bank had in circulation and on hand on the 1st day of December, 1853, and the years when their charters will expire respectively.*

<i>Name of Bank.</i>	<i>Locality.</i>	<i>Capital.</i>	<i>Authorized to circulate.</i>	<i>In circulation and on hand.</i>	<i>Charter will expire.</i>
Albany City Bank, .....	Albany, .....	\$500,000	\$350,000	\$350,000	1864
Atlantic Bank, .....	Brooklyn, .....	500,000	350,000	350,000	1866
Bank of Albany, .....	Albany, .....	240,000	200,000	200,000	1855
Bank of Chenango, .....	Norwich, .....	120,000	160,000	160,000	1856
Bank of Lansingburgh, .....	Lansingburgh, .....	120,000	160,000	160,000	1855
Bank of Orange County, .....	Goshen, .....	105,660	150,000 }		
Increase under the act of 12th March, 1849, .....		20,000	20,000 }		
Bank of Orleans, .....	Albion, .....	200,000	200,000	170,000	1862
Bank of Owego, .....	Owego, .....	200,000	200,000	199,995	1864
Bank of Poughkeepsie, .....	Poughkeepsie, .....	100,000	150,000 }	199,998	1866
Bank of Rome, .....	Rome, .....	100,000	150,000 }	150,000	1858
Bank of Salina, .....	Salina, .....	150,000	150,000	150,000	1862
Bank of the State of New York, .....	New York, .....	2,000,000	175,000	174,990	1862
Bank of Whitehall, .....	Whitehall, .....	100,000	1,200,000	1,198,985	1866
Brooklyn Bank, .....	Brooklyn, .....	150,000	150,000	149,984	1859
Broome County Bank, .....	Binghamton, .....	100,000	175,000	174,986	1860
Cayuga County Bank, .....	Auburn, .....	250,000	150,000	150,000	1855
Increase under the act of 12th April, 1848, .....		22,400	225,000 }		
Central Bank, .....	Cherry Valley, .....	120,000	22,400 }	247,392	1853
Increase under the act of 12th March, 1849, .....		6,000	160,000 }		
Chautauque County Bank, .....	Jamesstown, .....	100,000	6,000 }	166,000	1855
Chemung Canal Bank, .....	Elmira, .....	200,000	150,000	150,000	1860
Essex County Bank, .....	Keseeville, .....	100,000	200,000	200,000	1863
			150,000	150,000	1863

1854.]

*The Banking System of New York.*

781

Farmers and Manufacturers' Bank,.....	300,000	1864	250,000
Greenwich Bank,.....	200,000	1863	200,000
Circulation increased under the act of 12th March, 1849, upon deposit of State stocks,.....	4,000	1865	208,982
Herkimer County Bank,.....	200,000	1863	199,887
Highland Bank,.....	200,000	1864	200,000
Hudson River Bank,.....	150,000	1865	175,000
Jefferson County Bank,.....	200,000	1864	200,000
Kingston Bank,.....	200,900	1866	199,860
Leather Manufacturers' Bank,.....	600,000	1862	410,211
Lewis County Bank,.....	100,000	1863	149,995
Livingston County Bank,.....	100,000	1865	150,000
Madison County Bank,.....	100,000	1868	149,983
Manhattan Company,.....	2,050,000	Unlimited.	1,180,708
Mechanics' Bank,.....	1,440,000	1865	741,447
Mechanics and Traders' Bank,.....	200,000	1867	174,412
Merchants' Bank,.....	1,490,000	1867	778,860
Merchants and Mechanics' Bank,.....	300,000	1854	246,122
Montgomery County Bank,.....	100,000	1867	150,000
National Bank,.....	750,000	1867	348,379
New York Dry Dock Company,.....	200,000	Unlimited.	200,000
Ogdensburgh Bank,.....	100,000	1859	150,000
Oneida Bank,.....	400,000	1866	300,000
Onondaga County Bank,.....	150,000	1864	174,882
Ontario Bank,.....	200,000	1866	199,998
Ontario Branch Bank,.....	300,000	1866	249,861
Otsego County Bank,.....	100,000	1864	150,000
Phenix Bank,.....	1,200,000	1864	777,274



<i>Names of Banks.</i>	<i>Locality.</i>	<i>Capital.</i>	<i>Authorized to circulate.</i>	<i>In circulation and on hand.</i>	<i>Charter will expire.</i>
Rochester City Bank,.....	Rochester,.....	400,000	300,000	300,000	1866
Sackett's Harbor Bank,.....	Buffalo,.....	200,000	200,000	199,879	1865
Waratoga County Bank,.....	Waterford,.....	100,000	150,000	150,000	1857
Schenectady Bank,.....	Schenectady,.....	150,000	175,000	175,000	1862
Seneca County Bank,.....	Watloo,.....	200,000	200,000 }		
Increased under the act of 12th March, 1849,.....		3,000 }	3,000 }	202,829	1863
Seventh Ward Bank,.....	New York,.....	500,000	350,000	350,000	1863
Steuben County Bank,.....	Bath,.....	150,000	175,000	175,000	1863
Tanners' Bank,.....	Catskill,.....	100,000	150,000	150,000	1860
Tompkins County Bank,.....	Ithaca,.....	250,000	225,000	224,667	1866
Tradesmen's Bank,.....	New York,.....	400,000	300,000	300,000	1855
Troy City Bank,.....	Troy,.....	300,000	250,000	248,375	1863
Ulster County Bank,.....	Kingston,.....	100,000	150,000	150,000	1861
Westchester County Bank,.....	Peekskill,.....	200,000	200,000	193,640	1863
Yates County Bank,.....	Penn Yan,.....	100,000	150,000	149,944	1859
		<u>\$19,991,060</u>	<u>\$16,485,370</u>	<u>\$15,889,356</u>	
From the foregoing it will appear that the incorporated banks are entitled to have in circulation,.....					\$16,485,370
And they have in circulation and on hand,.....					15,889,356
Leaving their circulating notes less than the amount they are entitled to circulate,.....					<u>596,014</u>
The total amount of circulating notes issued to banks and bankers, outstanding, is—					
To 60 incorporated banks,.....					\$15,889,356
To banking associations and individual bankers,.....					23,743,716
To 19 banks, the charters of which have expired,.....					4,325,374
					<u>\$43,958,446</u>

From the foregoing it will appear that the incorporated banks are entitled to have in circulation,.....  
And they have in circulation and on hand,.....

Leaving their circulating notes less than the amount they are entitled to circulate,.....

The total amount of circulating notes issued to banks and bankers, outstanding, is—  
To 60 incorporated banks,..... \$15,889,356  
To banking associations and individual bankers,..... 23,743,716  
To 19 banks, the charters of which have expired,..... 4,325,374

The following table shows the number of banks whose charters will expire in each year, from the 1st of January, 1854, to the 1st of January, 1866, both inclusive; the amount of their respective capital, (including State stock and canal revenue certificates,) the amount they are entitled to circulate, and the amount in actual circulation and on hand on the 1st December, 1853 :

<i>Banks.</i>	<i>Charters will expire.</i>	<i>Capital.</i>	<i>Entitled to circulate.</i>	<i>Circulation.</i>
5	1st January, 1854,	\$1,950,000	\$1,575,000	\$1,548,278
5	1st " 1855,	2,306,000	1,616,000	1,557,447
1	1st Mon. June, 1855,	204,000	203,970	203,932
1	2d Tues. " 1855,	150,000	175,000	175,000
2	1st July, 1855,	220,000	310,000	310,000
2 & 1 Br'ch,	1st January, 1856,	620,000	610,000	609,849
5	1st " 1857,	2,640,000	2,000,000	1,661,641
2	1st " 1858,	200,000	300,000	299,983
2	1st " 1859,	200,000	300,000	299,944
1	2d Tues. June, 1859,	100,000	150,000	149,884
3	1st January, 1860,	350,000	475,000	474,986
1	1st June, 1861,	100,000	150,000	150,000
6	1st January, 1862,	775,660	995,000	994,990
1	1st June, 1862,	600,000	450,000	410,211
8	1st January, 1863,	1,975,400	1,800,400	1,798,118
4	1st " 1864,	1,200,000	1,000,000	999,995
1	1st " 1865,	200,000	200,000	199,879
7	1st " 1866,	3,950,000	2,775,000	2,774,510
2	Unlimited,	2,250,000	1,400,000	1,380,709
Totals,.....		\$19,991,060	\$16,485,370	\$15,889,856

#### BANK FUND.

The condition of this fund has become much improved by the redemption of stock under the act of 1850, (chapter 332.) It is important that the provisions of this act should be extended to the stock which will become due up to and including the year 1859.

The receipts and payments of the treasury on account of the Bank Fund, during the fiscal year ending 30th September, 1853, are as follows :

#### Receipts.

Contributions by the banks,.....	\$120,809 30
Principal and interest of bonds and mortgages,.....	289 54
Assets of the Commercial Bank of Oswego,.....	98 00
Interest on deposits in Commercial Bank of Albany,.....	1,123 65
	<hr/>
	\$121,770 49

#### Payments.

Redemption of stock,.....	\$60,778 11
Interest on stock,.....	30,734 38
Redemption of bills,.....	50 00
Contingent expenses,.....	100 00
	<hr/>
	\$91,662 44

## COINS, COINAGE AND BULLION.

*I. Report of the Mint on the value of foreign Coins. II. Report on the Assay of Coins. III. Coinage for the months of January and February, 1854. IV. The California Mint.*

The Mints at Philadelphia, London and Paris are all actively engaged in the work of coinage. The coinage at the U. S. Mint and branches for the year 1853, was \$64,858,587 72, while the aggregate for the whole period, since the organization of the Mint in the year 1793 was \$361,797,299; that of the year 1853 being about one-sixth of the whole. We learn that the dies for the new gold coin of three dollars are now in preparation, and that specimens will be ready for distribution on or before the 1st May next.

The coinage of the British Mint for the past year, was £12,668,008 sterling, viz: £11,952,291 in gold, £701,544 in silver, and £29,073 in copper, an aggregate of about \$64,199,018 85.

In France, the total coinage for the past year was nearly seventy millions of dollars, viz: in gold, \$18,218,536; in silver, \$808,593; in copper, £78,996. The French Mint is now engaged in the re-coinage of copper money, and in the coinage of the new 20 fcs. and 10 fcs. in gold, and in a short time that of 5 fcs., equivalent nearly to our gold dollar. (Ed. B. M.)

## I. REPORT ON FOREIGN COINS.

MINT OF THE UNITED STATES, }  
Philadelphia, January 28, 1854, }

Sir,—I submit the following report of the fineness and value of certain foreign gold and silver coins, as required by the Acts of Congress of June 25, 1834, and March 3, 1853, said coins being therein made a legal tender upon certain conditions, which are contingent upon this report.

## GOLD COINS.

The law provides that gold coins of Great Britain not less than 915 $\frac{1}{2}$  thousandths fine, shall be received at 94 $\frac{1}{4}$ ¢ per pennyweight. In a long series of years, and operating at times upon large quantities of such coin, we have not been able to find a higher average result than 915 $\frac{1}{2}$ , and it was upon this basis that the enactment was framed. But under the present management of the British Mint, and of its Assay Department, beginning fairly with the year 1852, there is an upward tendency more strictly conforming with the legal standard of 916 $\frac{1}{2}$ . The assay of a few pieces of 1852 and 1853, (the course of trade preventing the receipt of large quantities here,) gives an average of 916 $\frac{1}{2}$ , and the consequent rate would be 94 $\frac{7}{8}$ ¢ cents per pennyweight. But it will evidently require a large emission at this rate to make a perceptible improvement in any promiscuous parcel, and some years must elapse before the rate fixed by Congress can be elevated.

The gold coins of France are made current at 92 $\frac{1}{8}$ ¢ cents per pennyweight, provided their fineness be not less than 899 thousandths. Their legal standard is 900; but the actual fineness, down to 1852, inclusive, cannot be rated higher than 899.

Gold coins of Spain, Mexico and Columbia, "of the fineness of 20 carats 3 $\frac{7}{8}$  carat grains," equal to 869 $\frac{1}{8}$  thousandths, are receivable at 99 $\frac{1}{8}$ ¢ cents per pennyweight. While occasionally parcels have been found to be of this fineness, or slightly above it, they are frequently not

higher than 866; and would therefore appear to be thrown out by the terms of the law. Moreover, the gold coins of New Grenada, which is a part of Columbia, have been minted since 1849 at the new legal rate of 900 thousandths, and upon repeated trials are found to average 894. But it is very rare to find any longer in circulation a gold coin of Spain, Mexico or Columbia.

The gold coins of Portugal and Brazil made current upon condition of being not less than 22 carats (916 $\frac{2}{3}$  thousandths) fine, are really not higher than 914 thousandths. They are now only known among us as curiosities, and it is believed are scarce even in their own country.

#### SILVER COINS.

The Spanish pillar-dollars, and the dollars of Mexico, Peru and Bolivia of not less than 897 thousandths fine, and 415 grains in weight, and the dollars of Chili and Central America, and those re-stamped in Brazil of not less fineness than "ten ounces fifteen pennyweights in the pound," (895 $\frac{1}{8}$  thousandths) and 415 grains in weight, are receivable at one hundred cents each. The present average fineness and value of these coins, as appearing in our circulation, may be stated as in the ensuing table, with some doubt as to the item of Central America, whose coinage is very irregular:

<i>Denomination.</i>	<i>Weight. Grains.</i>	<i>Fineness. Thousandths.</i>	<i>Value per Piece.</i>	<i>Value per Ounce.</i>
Spanish pillar-dollar,.....	412	898	99.7	116.1
Brazilian re-stamped do.....	412	898	99.7	116.1
Dollar of Mexico, mixed,.....	416 $\frac{1}{2}$	899	100.8	116.2
do. Peru, do. ....	415	905	101.1	117.0
do. Bolivia,.....	416 $\frac{1}{2}$	901	101.1	116.5
do. Chili,.....	416 $\frac{1}{2}$	901	101.1	116.5
do. Central America,.....	416	870	97.5	112.5

The five-franc pieces of France, of not less than 900 thousandths fine and 384 grains in weight, are made current at 93 cents. They continued to maintain this average to the year 1852, which is the latest date assayed here.

It is to be noted, that the foregoing valuations of silver coins are based upon the legal rate of the United States as fixed by the Act of 1837. Under the act of March, 1853, the Mint has been and is now paying a premium upon these rates, to procure silver for coinage; consequently the laws making them current may be considered nugatory and obsolete. The same remark, for other but obvious reasons, may be applied to all the gold coins mentioned in this report, except those of Great Britain and France.

I embrace this opportunity to suggest that there is no longer any propriety or necessity for legalizing the circulation of the coins of other countries. In no other nation, except in the case of some colonies, is this mixture of currencies admitted by law, either on the score of courtesy or convenience. When these laws as to foreign coins were passed, our coinage was inconsiderable; but during the last few years the pieces struck in number and value, it is believed, are scarcely inferior to that of any other country. The last year more than seventy-six millions of

pieces were struck, of the value of upwards of sixty-four millions of dollars. If this suggestion is approved, and the laws which legalize foreign coins be repealed, it would be proper, by a standing regulation of the Treasury Department, or by legislative enactment, to require an annual assay report upon the weight and fineness of such foreign coins, as frequently reach our shores, with a view to settle and determine their marketable value. Such a report would be a judicious substitute for the one now presented.

I have the honor to be, with great respect,  
Your faithful servant,

[Signed,]

JAMES ROSS SNOWDEN, *Director.*

Hon. JAMES GUTHRIE, *Secretary of the Treasury.*

## II. ANNUAL ASSAY OF COINS.

The following letter from James Ross Snowden, Director of the United States Mint at Philadelphia, to the Secretary of the Treasury, gives an account of the action of the Commissioners for the annual assay of coins :

MINT OF THE UNITED STATES, }  
Philadelphia, February 14, 1854. }

SIR,—I have to inform you that the annual assay, as constituted under the provisions of the 32d section of the Act of January 18, 1837, was held at the Mint yesterday, when the following Commissioners were in attendance, viz. :

Commissioners ex officio:—Hon. J. K. Kane, District Judge; Charles Brown, Esq., Collector of the port of Philadelphia.

Special Commissioners:—Hon. George S. Houston, Prof. J. Lawrence Smith, Robert Patterson, Esq., Prof. R. E. Rogers, Prof. J. H. Alexander.

Hon. George M. Dallas, who had been designated as a Special Commissioner, was not present, having declined the appointment.

Enclosed will be found a table presenting the results of the trials made by the commissioners. The results being satisfactory, the commissioners concluded their proceedings by a resolution "that the examination of the gold and silver coins reserved at the Mint and its branches in the year 1853 is, in their judgment, sufficient; and there appearing no greater deviation from the standard fineness and weight than is allowed by law the trial is considered and reported as satisfactory."

The commissioners also reported "that they had tested the accuracy of the weights ordinarily employed in the transactions of the Mint by comparing them with the series of standard weights kept for that purpose, and that the correspondence was found to be in every way satisfactory."

I have the honor to be, with great respect,  
Your faithful servant,

JAMES ROSS SNOWDEN, *Director.*

Hon. JAMES GUTHRIE, *Secretary of the Treasury.*

Table exhibiting the result of the annual Assays of the Gold and Silver Coins reserved therefor at the Mint and Branches, in the year 1853.—Assay made at United States Mint, February 13, 1854.

<i>Kinds of Metal and its particular form when tried.</i>	<i>Standard Weight.</i>	<i>Weight by Trial.</i>	<i>Fineness by Trial.</i>
<b>PHILADELPHIA.</b>			
Gold Coins reserved, \$18,043 50,.....			
Taken indiscriminately from the whole, \$2,000,....	107.500	107.500	
Silver coins reserved, exclusive of old standard and three cent pieces, \$500,.....	400.	400.	
Silver coins reserved, exclusive of old standard, \$15,95	13.71	13.74	
Three cent coins reserved, \$18,30,.....	15.73	15.73	
Bar from melt of gold coins,.....			900.3
" " silver " .....			900.6
" " three cent pieces,.....			748.2
<b>NEW ORLEANS.</b>			
Gold coins reserved, \$2,220,.....	119.325	119.323	
Silver " " \$242 95,.....	194.36	194.38	
Bar from melt of gold coins,.....			900.1
" " silver " .....			899.5
<b>CHARLOTTE, N. C.</b>			
Gold coins reserved, \$284 00,.....	15.265	15.270	
Bar from melt of gold coins,.....			899.2
<b>DALTON, GA.</b>			
Gold coins reserved, \$1,014,.....	54.502	54.506	
Bar from melt of gold coins,.....			899.7

MINT OF THE UNITED STATES, }  
Philadelphia, February 14, 1854. }

JAMES ROSS SNOWDEN, *Director.*

### III. COINAGE OF 1854.

The following table will show the coinage at the Mint of the United States, Philadelphia, for the months of January and February, 1854 :

	<i>January.</i>	<i>February.</i>	<i>Two Months.</i>
Double Eagles,.....	\$3,137,000 00	\$3,085,940 00	\$6,222,940 00
Quarter do. ....	81,580 00	....	81,580 00
Dollars,.....	55,808 00	....	55,808 00
<b>Total Gold,.....</b>	<b>\$3,274,388 00</b>	<b>\$3,085,940 00</b>	<b>\$6,360,328 00</b>
Half Dollars,.....	204,000 00	187,000 00	391,000 00
Quarters,.....	299,000 00	310,000 00	609,000 00
Dimes,.....	104,000 00	13,000 00	117,000 00
<b>Total Silver,.....</b>	<b>\$607,000 00</b>	<b>\$460,000 00</b>	<b>\$1,067,000 00</b>
Copper,.....	1,802 21	1,222 17	3,024 38
<b>Gold, Silver and Copper,...</b>	<b>\$3,883,290 21</b>	<b>\$3,547,162 17</b>	<b>\$7,430,452 38</b>
Gold Bars,.....	368,883 00	....	368,883 00
<b>Total,.....</b>	<b>\$4,252,173 21</b>	<b>\$3,547,162 17</b>	<b>\$7,799,335 38</b>
In 1853,.....	4,906,990 00	3,041,580 00	7,948,570 00
<b>Increase this year,.....</b>	<b>.....</b>	<b>505,582 17</b>	<b>.....</b>
<b>Decrease,.....</b>	<b>654,825 79</b>	<b>....</b>	<b>149,243 62</b>

The whole number of pieces coined in February, 1854, was 1,920,514 against 3,659,825 in the corresponding month of 1853. Of the pieces coined this year, 154,297 were gold, 1,644,000 silver, and 122,217 copper.

The gold bullion deposited in February was —

From California.....	\$2,461,000
From other sources.....	53,000

Total deposits in February.....	\$2,514,000
Silver bullion deposited.....	1,166,000

The deposits of precious metals for January and February, were :

	1853.		1854.	
	Gold.	Silver.	Gold.	Silver.
January.....	\$4,962,097	\$14,000	\$4,215,579	\$108,000
February.....	3,548,523	13,560	2,514,000	1,166,000
Total.....	\$8,510,620	\$27,560	\$6,729,579	\$1,274,000

Showing, for the two months of this year, a decrease of \$1,781,041 in the deposits of gold, and an increase (if the returns for the present month are correct) of \$1,246,440 in the deposits of silver.

#### IV. CALIFORNIA MINT.

We learn from the *Sacramento Union*, that the magnificent edifice intended for the Government Mint in California, will be ready for delivery to the proper authorities sometime during the month of February, 1854.

The effect to be produced by this establishment on the Pacific coast, on the trade and prosperity of California, can hardly be estimated. Hitherto it has been necessary to ship gold dust to Philadelphia for coinage, and this transportation across the Isthmus has always been attended with serious difficulties and losses. California merchants, effecting daily business transactions of hundreds of thousands, have been subject to inconveniences which were not to be endured longer than an actual necessity existed for them.

Now that the Government have completed the arrangements for coining the rich product of California mines, on California soil, without the trouble and expense of transportation, we may reasonably look for the exhibition of a new life and energy in our Pacific sister.

California will coin her own gold, and thus draw off a large share of the immense business that has been carried on at the Philadelphia Mint, during the past five years.

We append below a description of the machinery, from which it will be seen that no pains nor expense has been spared to make the Mint perfectly adequate to the demands of the gold regions :

It will be capable of coining \$100,000,000 per annum. The machinery is of the most approved style and finish, and the house adapted in every respect to receive and sustain the weight and force exerted by the working of the powerful engine which impels it. It will be proof against thieves and fire. "There are three tubular boilers, eight feet long

by four feet diameter. The bed-plate of the engine is of solid iron, and weighs about four and a quarter tons. The fly wheel is fifteen feet in diameter, and of great weight. The engine is fifty-five horse power.

"The machinery is represented as the most perfect that could be made. The press for striking the coin exerts a pressure of many tons, and turns off seventy-six coins per minute. In coining double eagles it will turn out \$90,000 per hour. The Mint will be perfect in all its appointments for assaying, refining, and in all other particulars, for coining gold and silver of every denomination produced at the Philadelphia Mint."

By March, we may begin to look out for California United States coin in circulation, after which time the present coinage of the State will be gradually withdrawn.

## THE BANKING LAW OF NEW YORK.

### SAVINGS BANKS.

*Communicated to the New York Courier and Enquirer.*

YOUR leading article of the 21st inst., under the head of "Frauds under the General Banking Law," has induced me to call your attention to the fact that some of the new banks under that law have recently advertised "Savings Bank Departments," and to receive money in small sums, and allow interest thereon. As this is believed to be an abuse at least of their banking powers, if not a fraud on the public, the writer desires to call your attention to it, and to add the following remarks as to the powers of Savings Banks in this State under the charter :

1. They are required to receive money on deposit, and allow interest on the same, and do in effect receive small sums, principally from the working classes and people of small means.
2. They are allowed to loan money secured by bond and mortgage, and the real estate pledged must be in value twice the amount of the sum loaned.
3. They may invest in stocks of the United States, and of the several States, and of incorporated cities of this State, such stocks being authorized by the Legislature.
4. They may make temporary loans, secured by the pledge of any stocks they are authorized to invest in, (and none other,) and are limited in such temporary loans to 90 per cent. of the par value.
5. They are forbidden to loan to any of their officers or managers.
6. They are forbidden to loan on personal security only.
7. They are forbidden to loan on the security of bank stock, or to invest any of their funds in bank stock.
8. They are forbidden to deposit in any bank an amount more than 10 per cent. on the capital of said bank ; thus, a bank with a capital of two hundred thousand dollars cannot receive on deposit more than 20,000 dollars, and so on of others.



The object of the Legislature appears to be to disconnect these institutions for savings from all connections with banks; and to secure, in the most careful manner, and by every possible guard, the immense sums of money deposited in Savings Institutions. The deposits in these institutions amount at this time, in the cities of New York and Brooklyn, to more than *twenty millions* of dollars.

If banks of circulation and deposit, under our General Banking Law, are allowed to usurp the powers conferred on Savings Institutions by special charters, then the security sought to be obtained by the Legislature, for the savings of the working classes, is entirely overlooked.

The banks seeking these savings are often of the weakest class; one of mere circulation; and having paid away for the purchase of stocks, all its capital, so called, which stock may be all transferred to the Comptroller to secure their notes, may receive deposits and become a Savings Bank; and these small banks are precisely the ones that, unless this movement be arrested, will become Savings Banks.

Our old-fashioned idea of a bank is, that it is an institution with a capital to lend; and that no bank, with a sufficient capital to be considered safe, can with decency ask of the poorer classes to lend money to the bank, in sums of one dollar and upwards, and pay interest thereon; and Savings Banks are sufficient in our midst to receive the "Savings" of all.

The spirit of the law regulating Savings Institutions is violated in every particular, by banks not specially chartered for the purpose receiving money in small sums and paying interest thereon; in short, becoming Savings Banks.

They loan to men of business and others on personal security; their loans being subject to all the vicissitudes of business.

They loan to their own officers and directors, and these, with their own stockholders, are often their largest borrowers.

The deposits with them are not limited to ten per cent. of their capital.

In short, if these banks can become Savings Banks, of what use have the latter for charters?

It is believed by the writer that the receipt of small sums on deposit, and allowing interest on the same, is conferred only by charters on Savings Institutions; and if the practice of other banks in doing the proper business of Savings Banks is not stopped, the most disastrous consequences may be expected to follow.

An act requiring all banks doing business under the General Banking Law, and receiving small sums of money on deposit, and paying interest on the same, to transfer to the Comptroller stocks of an equal amount of the money held on deposit, would remedy the evil complained of, and put their depositors on the same footing as are the holders of bills, and thus the Legislature ought to do. Meanwhile the Attorney General is respectfully called upon to look into the matter, for if, as is believed, the law is already violated, it is his province to apply the remedy.

SECURITY.

## BANK STATISTICS.

## Condition of the Banks of New Hampshire, December, 1853.

Names of Banks.	Places of Business.	Capital.	Real Estate.	Loans.	Specie.	Notes of other Banks.	Deposits.	Due from other Banks.	Circulation.
Amoskeag.	Manchester.	\$150,000	none.	\$341,000 34	\$5,096 85	\$3,569 00	\$50,781 81	\$10,818 19	\$147,321
Ashuelot.	Keene.	100,000	\$3,500 00	174,107 23	6,733 43	1,237 00	23,694 92	5,633 10	62,627
Belknap County.	Meriden Bridge.	80,000	none.	150,593 83	4,534 37	8,471 86	11,216 12	8,871 91	71,559
Cheshire.	Keene.	100,000	4,000 00	205,842 27	4,739 19	8,553 00	22,313 91	15,514 69	94,676
City.	Manchester.	100,000	none.	160,091 23	5,239 91	1,967 25	2,712 35	10,078 89	72,564
Claremont.	Claremont.	100,000	1,400 00	183,015 25	4,225 24	6,000 00	16,281 33	19,838 03	96,000
Citizens.	Sanborn.	50,000	none.	65,037 03	2,552 00	6,496 00	8,258 00	9,974 80	28,327
Connecticut River.	Charlestown.	50,000	none.	153,076 79	4,795 00	8,808 00	6,892 23	2,000 00	62,244
Cochecho.	Dover.	100,000	4,244 51	237,483 46	3,899 80	1,052 00	42,882 61	14,953 88	99,998
Carroll County.	Sandwich.	50,000	400 00	83,743 19	2,008 18	2,598 50	292 81	6,943 85	49,949
Dover.	Dover.	100,000	6,000 00	214,039 87	3,454 78	2,231 00	80,299 86	18,092 78	96,565
Francestown.	Francestown.	60,000	none.	127,371 35	2,225 31	1,916 00	19,015 32	8,785 67	57,599
Granite State.	Exeter.	125,000	8,000 00	159,567 40	4,950 12	4,596 00	25,962 95	7,840 77	118,850
Great Falls.	Somersworth.	150,000	2,883 83	263,988 78	5,470 79	7,172 00	8,967 80	21,637 90	137,631
Indian Head.	Nashua.	100,000	none.	209,737 27	6,216 65	2,012 00	33,060 90	24,192 35	99,585
Lancaster.	Lancaster.	50,000	none.	75,165 23	1,409 83	137 00	1,843 10	4,239 73	13,505
Lebanon.	Lebanon.	100,000	2,800 00	178,097 70	10,297 02	2,506 00	21,943 16	89,973 85	99,361
Mechanics.	Concord.	100,000	1,200 00	217,016 51	7,954 16	13,523 00	62,536 63	29,533 89	98,193
Merrimack County.	Concord.	80,000	2,525 00	173,983 55	13,693 71	10,379 00	42,700 65	14,454 09	79,569
Manchester.	Manchester.	125,000	none.	234,161 83	4,543 75	2,900 00	35,536 35	54,662 74	194,955
Mechanics and Traders.	Portsmouth.	141,000	none.	355,054 17	5,440 73	6,083 27	107,737 88	36,136 86	133,233
Monadnock.	Jaffrey.	50,000	none.	94,455 12	4,593 66	1,221 00	5,423 96	9,468 83	49,903
Nashua.	Nashua.	125,000	none.	233,987 71	9,014 41	1,011 00	11,619 86	7,835 48	120,390
New Ipswich.	New Ipswich.	100,000	1,000 00	174,815 77	5,015 05	2,618 00	4,564 47	22,703 15	96,822
Piscataqua Exchange.	Portsmouth.	200,000	1,300 00	437,959 12	9,660 36	1,764 53	73,318 01	24,841 07	152,999
Pittsfield.	Pittsfield.	50,000	2,835 55	89,902 83	2,206 96	2,399 94	3,126 40	6,296 13	47,496
Rochester.	Rochester.	120,000	1,560 50	181,635 86	6,269 63	2,339 00	8,643 33	12,456 95	75,376
Rockingham.	Rockingham.	160,000	none.	325,060 83	11,220 61	31,264 74	54,701 12	52,606 43	126,700
Salmon Falls.	Rollinsford.	50,000	2,995 88	95,522 84	1,676 96	146 00	4,440 53	6,501 06	43,880
State Capital.	Concord.	100,000	none.	209,456 78	4,062 61	11,631 89	34,973 77	8,945 89	94,802
Stratford.	Dover.	120,000	8,500 00	238,816 94	4,563 61	5,996 26	34,823 83	18,130 13	105,265
Sugar River.	Newport.	50,000	none.	96,533 70	1,297 43	434 00	2,296 49	5,962 12	49,542
Warner.	Warner.	50,000	none.	95,609 99	3,117 83	2,993 00	10,618 13	6,150 70	43,749
Winchester.	Winchester.	100,000	4,000 00	130,034 86	3,793 22	4,743 71	4,983 50	12,751 10	90,932
White Mountain.	Lancaster.	50,000	none.	82,732 63	3,331 57	2,129 00	15,279 00	29,953 50	49,923
		\$3,376,000	\$54,153 27	\$6,518,183 60	\$190,239 29	\$157,667 41	\$963,357 57	\$537,859 56	\$3,021,579

## BANKS OF MICHIGAN, January, 1854.

<i>Liabilities.</i>	<i>Capital.</i>	<i>Circulation.</i>	<i>Deposits.</i>	<i>Due Banks.</i>	<i>Profit and Loss.</i>
Government Stock Bank, . . .	\$100,000	\$180,800	\$46,116	\$27,000	\$9,830
Peninsular Bank, . . .	901,905	124,001	484,702	7,230	21,420
Michigan Insurance Bank, . . .	900,010	206,090	578,025	40,812	51,708
Farmers and Mechanics' Bank, . .	181,790	74,270	281,858	4,060	238,862
Total liabilities, . . .	\$683,705	\$585,161	\$1,835,696	\$79,092	\$316,870
Michigan State Bank, . . .	151,678	850,867	168,855	2,802	23,463
Total liabilities, . . .	\$835,383	\$936,028	\$1,504,051	\$81,894	\$344,833

<i>Resources.</i>	<i>Loans.</i>	<i>Specie.</i>	<i>Stocks.</i>	<i>Bank bal. &amp; notes.</i>	<i>Miscellaneous.</i>
Government Stock Bank, . . .	\$97,835	\$25,006	\$185,678	\$59,613	\$5,564
Peninsular Bank, . . .	477,153	81,796	145,923	125,118	9,268
Michigan Insurance Bank, . . .	521,184	114,607	200,890	229,123	6,385
Farmers and Mechanics' Bank, . .	609,102	5,093	113,421	24,153	19,666
Total resources, . . .	\$1,694,824	\$176,592	\$600,412	\$428,019	\$40,273
Michigan State Bank, . . .	876,928	104,641	50,850	162,234	7,812
Total resources, . . .	\$2,071,752	\$281,233	\$651,262	\$600,246	\$47,585

## BANKS OF MASSACHUSETTS.

<i>Liabilities.</i>	<i>Oct., 1845.</i>	<i>Oct., 1846.</i>	<i>Sept., 1847.</i>	<i>Sept., 1848.</i>
Capital paid in, . . .	\$30,970,000	\$31,160,000	\$32,113,150	\$32,985,000
Circulation, . . .	14,889,656	14,591,914	17,196,362	13,196,080
Profits undivided, . . .	1,910,465	2,504,186	3,499,538	3,737,424
Due other banks, . . .	5,046,121	5,285,015	7,263,292	4,063,650
Deposits, . . .	12,751,858	10,263,619	11,090,970	8,544,996
Total liabilities, . . .	\$65,017,625	\$63,901,714	\$71,102,647	\$62,567,100

<i>Liabilities.</i>	<i>Sept., 1849.</i>	<i>Sept., 1850.</i>	<i>May, 1851.</i>	<i>Sept., 1852.</i>
Capital paid in, . . .	\$31,630,011	\$36,925,050	\$38,265,000	\$43,270,500
Circulation, . . .	15,700,935	17,005,896	19,694,693	21,172,371
Profits undivided, . . .	3,011,996	4,627,660	3,824,608	5,268,473
Due other banks, . . .	4,720,816	6,549,980	7,008,441	3,608,239
Deposits, . . .	10,621,732	11,618,912	13,839,904	15,541,256
Total liabilities, . . .	\$65,685,490	\$76,727,578	\$82,627,651	\$98,860,837

<i>Resources.</i>	<i>Oct., 1845.</i>	<i>Oct., 1846.</i>	<i>Sept., 1847.</i>	<i>Sept., 1848.</i>
Coin on hand, . . .	\$3,357,904	\$3,054,756	\$3,943,954	\$2,573,030
Real estate, . . .	1,097,970	1,098,000	1,062,950	1,073,116
Bank notes, . . .	3,010,118	2,554,754	3,263,563	2,336,818
Due from other banks, . . .	4,902,908	5,563,089	5,571,240	3,469,084
Loans, . . .	52,648,780	51,826,115	57,960,940	53,110,103
Total resources, . . .	\$65,017,625	\$63,901,714	\$71,102,647	\$62,567,100

<i>Resources.</i>	<i>Sept., 1849.</i>	<i>Sept., 1850.</i>	<i>May, 1851.</i>	<i>Sept., 1852.</i>
Coin on hand, . . .	\$2,749,917	\$2,993,173	\$2,478,858	\$3,563,732
Real estate, . . .	1,126,162	993,236	993,214	1,090,463
Bank notes, . . .	3,737,151	4,048,521	6,235,767	5,346,163
Due from other banks, . . .	4,472,950	5,335,008	6,550,233	6,666,412
Loans, . . .	56,599,810	63,362,440	66,364,559	77,194,018
Total resources, . . .	\$68,685,450	\$76,727,378	\$82,627,651	\$98,860,837

## STATE FINANCES.

## I. CALIFORNIA.

*An Act authorizing the Treasurer of the State of California to issue bonds for the payment of the expenses of the Mariposa, Second El Dorado, Utah, Los Angeles, Clear Lake, Klamath and Trinity and Monterey Expeditions against the Indians. Passed May 21, 1852.*

§ 1. A sum not exceeding \$600,000, appropriated as an additional war fund, payable in ten years, out of moneys which may be appropriated by Congress for expenses incurred by California in the suppression of hostilities; to bear interest at the rate of seven per cent.

§ 2. Liabilities that have been incurred for the Mariposa expedition, and other expeditions, shall be funded or paid in bonds bearing seven per cent. interest.

§ 3. The State Treasurer authorized to exchange bonds, authorized in the first section of this act, for warrants issued by the Comptroller, and outstanding on account of the expenses of said campaigns.

§ 4. The Treasurer and Comptroller allowed to correct mistakes, previously made in the settlement of accounts for war expenses.

§ 5. The State Treasurer authorized to provide suitable bonds for such payments, in sums of \$100, \$250, \$500 and \$1,000 each.

§ 6. Bonds authorized by this act shall be signed by the Treasurer, and be made payable to and endorsed by the Governor, in his official capacity, and countersigned by the Comptroller. The bonds to be transferable by assignment.

§ 7. The Comptroller and Treasurer each to keep a register of bonds issued under this act.

§ 8. Coupons, for the interest, shall be attached to each bond.

§ 9. All claims of the State of California upon the general government, for expenses incurred in the aforesaid campaign, shall be set aside and pledged for the repayment of the principal and interest of the bonds authorized by this act.

§ 10. The sum of one thousand dollars appropriated to pay the incidental expenses of preparing and issuing the bonds.

§ 11. The Treasurer authorized to deliver the bonds to claimants in person or to their legal agent.

§ 12. The Treasurer authorized to pay the interest on the bonds issued under this act, and give three months' public notice when the interest will be paid at the treasury.

§ 13. The act of February 15, 1851, is hereby repealed. Also, an act passed March 17, 1851, authorizing government to call out troops for the defence of the frontier. This repeal not in any wise to affect the war loan bonds issued under the act of 1851.

*Law relating to San Francisco City Debt.*

SAN FRANCISCO.—The act of California, passed May 1, 1851, authorized the funding of the floating debt of the City of San Francisco, and to provide for the payment of the same, provided,

§ 1. "The Commissioners of the funded debt of the City of San Francisco" were appointed and required to furnish a joint and several bond, in the penal sum of one hundred thousand dollars, for the faithful discharge of their duties.

§ 2. Certificates authorized as the "San Francisco City Stock," for an amount equal to the floating debt of the city existing on the 1st of May, 1851, bearing an interest of ten per cent. The interest to be payable semi-annually, with coupons attached, and the principal sum to be redeemable within twenty years.

§ 3. The Fund Commissioners authorized to exchange such certificates for an equal amount of the floating debt.

§ 4. The Commissioners to certify and inform the city assessors of the amount necessary to be raised to pay the interest; and the further sum of fifty thousand dollars to be raised in each and every year, for the purpose of creating a sinking fund, for the redemption of the stock.

§ 5. The Fund Commissioners authorized to receive the funds levied and collected under the act, and out of such funds to pay the interest of the stock, and to purchase any portions of the principal, and to report to the City Council all such receipts and payments.

§ 6. Any surplus, after the payment of the principal of this funded debt, to be paid over to the Treasurer of the city. The five Commissioners to receive a salary not exceeding \$1,200, and the president and secretary \$1,500 each.

§ 7. The district court shall have civil jurisdiction to enforce obedience to the provisions of this act.

§ 8. Any person holding indebtedness of any character against the city, shall have the privilege of receiving ten per cent. bonds or certificates, in lieu thereof.

§ 9. Creditors to elect if they will receive such certificates of stock, within ninety days.

§ 10. The 17th section of the third article of the act to incorporate the City of San Francisco, repealed, viz.: "The Commissioners of the Sinking Fund, created by ordinance of the City Council, are hereby required to reconvey and deliver to the Common Council, before the 10th May, 1851, all property, titles, rights and interests belonging to the city, and now in their possession."

§ 11. All property of the City of San Francisco, which is necessary for the municipal purposes of the city, shall be forever exempt from sale by execution.

§ 12. The Commissioners of the Sinking Fund created by ordinance of the City Council, are required to convey to the Commissioners created by this act, all rights, titles and interests in property belonging to said city, and to pay over all funds, notes, securities, or other assets.

§ 13. The fiftieth section of the third article of the act to re-incorporate the City of San Francisco, repealed. This previous act authorized: 1. That the funded debt of the city shall consist of the liabilities, for the payment of which the city revenue is already pledged; and the creditors of the city may fund the debts due them, at a rate of interest not exceeding ten per cent., and re-payable in ten years.

§ 14. Advertisements to be issued for sealed proposals for the surrender of old stock in exchange for that created by this act; and no stock to be re-purchased above par.

---

*Obligations of the City of San Francisco issues of 1851, payable in 1871, bearing ten per cent. interest per annum, amounting to \$1,500,000. Interest payable semi-annually.*

This debt is guaranteed by a transfer of all the property of the City of San Francisco to the Commissioners of the Sinking Fund, and according to the law, there must be raised, *annually*, by the said Commissioners, from the income of the city, of whatever nature it may be, an amount sufficient to pay the interest on the bonds issued, and, besides, enough to redeem \$50,000 worth of them *yearly*.

The surplus revenue, whatever it may be, is devoted to the current expenses of the city.

If this excess should not be sufficient, there exists a *Floating Debt* in the shape of *scrip*, which sells at a great discount, and in proportion to the probability of receipts in the treasury.

These *City Bonds* are securities of an undoubted character.

There is also about \$100,000 worth of *City Scrip*, (old issue,) bearing three per cent. interest per month, which, being receivable in payment for taxes, sells at a trifling discount.

---

#### SAN FRANCISCO.

The act to incorporate the City of San Francisco was passed April 15, 1850. The charter provided, in reference to finances, as follows: The Mayor and Common Council were authorized,

"ART. 3. Sec. 2. To levy and collect taxes not exceeding one per cent. per annum, upon all property made taxable by law for State purposes.

"Sec. 3. To borrow money, and pledge the faith of the city therefor, provided the aggregate amount of the debts of the city shall never exceed three times its annual estimated revenues."

A circular, under date of January 1st, 1853, has been issued by Messrs. Sanders and Brenham, of San Francisco, which furnishes, in a small compass, numerous details in reference to the debt of that city. From the highly respectable character of the parties to the circular, reliance may be placed on their statements. We extract as follows:

"We have said that the rate of interest now rules at from three to five per cent., according to the nature of the security. These rates are, however, for short loans. When loans are required for longer periods and upon the most undoubted security, lower rates sometimes obtain. We have, in such cases, loaned money at 2½ per cent. per month, and have known instances, but they are very rare, of such loans having been made at two per cent. per month. The security, in these cases, was real estate, with the most ample margin.

"The causes in operation, to which we have alluded, tending to the

certain and rapid increase of our population, have induced the business men of this city to consider investments in real estate the most certain to be ultimately and permanently profitable; for though the population of this city is between thirty and forty thousand, yet it is far from being proportionate to that of the State, as is evidenced by Sydney, N. S. W., which, in 1840, had upwards of 30,000 inhabitants, while N. S. W., of which it is the principal port, had less than 150,000, and that city is at present supposed to have 60,000, though N. S. W. has not as large a population as this State. Taking this fact into consideration, and also that the addition to the population of this State, in the current year, will probably exceed 100,000, and it will be seen that such investments, from the nature of the case, must be extremely profitable. This mode of investment is not, however, open to non-resident foreigners at present, the laws of this State prohibiting them from holding real estate. Investments in first mortgages on real estate, with or without fire proof buildings erected thereon, can, however, readily be made, at the rates we have quoted, with an ample margin for possible depreciation of property; and such security is here considered undoubted."

It is proper to say, that by the laws of this State, if money be loaned without specifying the rate of interest to be paid, 10 per cent. per annum only could be recovered; but any rate which may be agreed upon by the parties to a loan, is legal, and will be enforced by the courts.

A large amount of foreign capital has been invested in our State and City of Francisco bonds; the former bearing an interest of 7 per cent., and the latter 10 per cent. per annum. The city bonds present an opportunity of profitable investment to capitalists, not offered by bonds of any other kind in existence. The city funded debt which they represented, was to the amount of \$1,624,746; of this, there has been redeemed, by purchase of stock, \$92,000—leaving outstanding the sum of \$1,532,746.

These bonds have twenty-seven years to run from the 1st day of May, 1851, bearing, as we have already said, an interest of 10 per cent. per annum, payable 1st of May and 1st of November. The interest, thus far, has not only been met promptly, but the funds for its payment have always been in the hands of the Commissioners of the Funded Debt, in advance. They have had on hand now, for some two months or more, the money to pay the coupons due in May, and have advertised their readiness to pay those coupons on presentation, if the holders will deduct five per cent. from their face. The property belonging to the city, now in the hands of the Commissioners, and pledged for the redemption of these bonds, is very valuable, and rapidly and surely appreciating. To place the payment of the interest and principal of this debt beyond contingency, the whole tax list of the city is pledged, by the charter of the city, for its security. In our opinion, this stock is one of the most eligible for investment that can any where be found; and, for those who desire to take hold of California securities, it presents a very safe and profitable opportunity. The selling rate of these bonds, now, is 90 & 91 per cent., at which price, the interest on the investment would be more than 11 per cent.

The bonds representing the State debt present also a very good open-

ing for investment, though the interest which such an investment will yield, is not equal to that paid by our city stocks. The State debt amounts to upwards of \$2,000,000, and the bonds are made payable in 1860, 1865 and 1870, bearing an interest at 7 per cent. per annum, payable semi-annually, at the office of the State Treasurer, at the seat of government, and in the city of New-York. Nineteen twentieths of the bonds issued are payable in New-York. The resources of the State, for the ultimate redemption of these bonds, are most ample. The property it actually possesses is very large, and one item of it is 500,000 acres of land granted by the federal government, under an act of Congress passed in 1850. The State has also large claims upon the federal government, which its good faith and relations to this State guarantee will be fairly and honorably met. It has a fair claim for liberal appropriations from the general government, on account of the expenses of its government and organization prior to its admission into the Union, for the amount collected at this port during the time the State was unrepresented in the National Councils, and for the expenditures incurred in suppressing Indian disturbances within our borders. These claims will, doubtless, receive a fair and liberal consideration at the hands of the incoming administration, and to the extent to which appropriations may be made by Congress, to meet these claims, will the pecuniary ability of the State be strengthened. In point of interest, these bonds are not so advantageous as those of this city; and, indeed, the only point in which they are at all preferable, is, that they represent the debt of the State, while the city bonds only represent that of the city.

We cannot recommend to persons abroad the investment of their capital in quartz mining speculations. Such enterprises must be conducted by those on the spot, to ensure success. There can be no doubt, whatever, in the mind of any person who has visited and examined the mining regions, that many of these quartz veins are exceedingly rich, and will, when worked by adequate machinery, directed by skill and intelligence, yield enormous returns. And for those who have the requisite time to examine, and knowledge to determine, the relative value of the veins, and the capital required to work them, such enterprises open a very inviting field. But for those capitalists who wish to invest their funds safely as well as profitably, we recommend our City and State stocks, bonds and mortgages on real estate, the stocks of the gas and water companies of this city, and rail-road stocks."

#### *Finances of 1852-3.*

We have received the following official treasury report of California, which recapitulates the outstanding liabilities of the State on the 30th December, 1852. This was the last official statement that was issued from San Francisco for that year.

The amount of claims yet to be audited under the act of May 3, 1852, cannot be ascertained at present, very few claims being on file for settlement.

The foreign miners' tax collected, is \$23,800, of which \$10,395 was paid in El Dorado County, and \$9,351 in Placer County. The sales of



school lands up to this date, are 101,600 acres, at two dollars per acre, yielding the sum of \$203,200.

1. Temporary State Bonds, (on which there is an average interest of 100 per cent. due,).....	\$62,200
2. Seven per cent. bonds issued under act of April 29, 1851, due in 1861, \$210,500; same, due in 1855, \$210,500; less redeemed, \$24,000—\$186,500,.....	397,000
3. Seven per cent. bonds issued under act of May 1, 1852, principal and interest payable in New-York, and the January interest paid,).....	802,000
Warrants outstanding,.....\$60,000 to \$70,000	
4. Twelve per cent. war bonds issued under act Feb. 15, 1851, .....	200,000
5. Seven " " " " May 8, 1852,.....	485,050
6. War funds warrants outstanding,.....	41,250
Total, December 30, 1852,.....	\$1,987,500

The coupons due at New York in January last, on the bonds of the State of California, were not paid at the American Exchange Bank, in New-York, where stock payments have been hitherto made. The bank alleges that no funds are in hand for this purpose, to the credit of Messrs Palmer, Cook & Co., the San Francisco financial agents of the State. Messrs. Duncan, Sherman & Co. intervened for the credit of California, and promptly advanced the requisite funds for the payment of the coupons. This, in the aggregate, amounted to over sixty thousand dollars. This firm addressed the following letter to Governor Bigler on the subject :

OFFICE OF DUNCAN, SHERMAN & Co. }  
New-York, January 4, 1854. }

*To his Excellency John Bigler, Governor of California :*

Sir,—We take the liberty to address your excellency on a subject of vital importance to the interests of your young but rapidly growing and prosperous State. By this mail, the financial officers of your government will doubtless be notified of the refusal, on the part of the correspondents or agents of the State here, to pay the interest due on the 1st inst., and payable in the City of New York. It is represented by them that no provision of funds has been made for the object.

We cannot suppose that this seriously bad and mortifying position is caused by any neglect or omission on the part of your State, but we are rather led to the belief that it has been so produced by the unpardonable neglect, or bad management, or bad faith of its agents. Who they may be, we do not know ; but this state of things being likely to cause much excitement, both here and in Europe, and operate most disastrously on the credit of California, which we have been gratified to perceive was steadily growing in public confidence all over the world, we determined promptly to interfere for the honor of your State, and to protect its credit by giving public notice that we should pay, on presentation, the coupons due on the 1st inst. This we have done, as your excellency will doubtless observe by our city newspapers, and we trust this timely protection on our part will not only secure the approbation of yourself and your government, but also of all your good citizens, and will also tend to strengthen public confidence in your State bonds, which we cannot but believe are entitled to take high rank among American securities. With prudent and judicious legislation, a careful avoidance of public debt, and the observance of the good faith, this must be the case.

It is by no means pleasant, in the present position of our money market, to come under heavy advances like this, especially so with the uncertainty that we may be obliged to wait return advices from California before receiving reimbursements, by which time, at least, we trust the State will promptly remit a sufficient amount to

cover the advances we have assumed. Trusting our motives in thus protecting the interests of the State will be promptly appreciated, and that measures will be adopted to prevent the possibility of the recurrence of an omission so fatal and disastrous to the credit of California,

We have the honor to remain, etc.,  
DUNCAN, SHERMAN & Co.

The *Alta Californian*, in its remarks upon the intervention of Messrs. Duncan, Sherman & Co., in the payment of the California coupons in January last, omits to give due credit to this firm for their liberality in thus stepping forward to save that State from discredit.

A further examination into the accounts of Messrs. PALMER, COOK & Co. with the American Exchange Bank in this city, will no doubt show that no funds stood to their credit here on 3d January last, to meet the coupons then due. It was exceedingly fortunate for California that any party should undertake the payment of this indebtedness on the part of the State. The least the State can do in the premises, is to authorize a vote of thanks to Messrs. DUNCAN, SHERMAN & Co., and then appoint efficient agents here to attend to the *interest* and the interests of that State.

Now, on the 3d of January, when the interest should have been paid, the account of Messrs. Palmer, Cook & Co., on the books of the American Exchange Bank, stood overdrawn \$1,850. This statement of course exonerates the bank from any charge of delinquency. If the bank did not choose to advance \$55,000 to pay interest, no one can censure it. On the 10th of January, a letter from Palmer, Cook & Co., covering about \$64,000 of remittances, was received, dated November 30. This should have been received about the 26th of December, and had it so arrived, and the remittance been available, the interest would have been paid; but included in the remittance was a draft on the Commissioner of the Land Office at Washington for \$60,000. This draft, upon being sent to Washington, was returned to the bank by the Department unpaid, with a statement that it was drawn without a shadow of authority. Had, therefore, the letter in question come to hand in due course of mail, this bogus draft would have been protested, and the interest still have been unpaid.

The proposition in the Legislature of California for a vote of thanks to Messrs. Duncan & Sherman of New York, for their intervention in protecting the credit of that State, was postponed at the last dates, in order to institute an inquiry whether the State's agents (Messrs. Palmer, Cook & Co.) had done their duty in the premises. The facts in the case will no doubt be elicited at an early day; but it is surprising that, under the circumstances, and a knowledge of the intervention by Messrs. D., S. & Co., the Legislature should hesitate a moment in an expression of thanks to them.

The Committee appointed by the Legislature to investigate this matter have concluded, and will make a report.

OFFICE OF THE STATE TREASURER, }  
Benicia, California, Feb. 4, 1854. }

*Gentlemen*.—Recent advices from the Atlantic having brought the intelligence that the interest falling due upon the Bonds of the State of California, on the 1st of January, 1854, failed to be met by the agents of Messrs. Palmer, Cook & Co., in the city of New York, I have in consequence of such report instituted an investigation in reference to the matter, and find that remittances amply sufficient to meet the demand, were duly made by Messrs. Palmer, Cook & Co., the agents of the State, in the city

of San Francisco, and should have been in the city of New York on the day on which the interest fell due.

The American Exchange Bank is the agent of Messrs. Palmer, Cook & Co. in New York, and to this institution the remittances were made. Why the money was not paid over by this institution I am unable to say. In due course of mail it should have been received by them previous to the day of payment. This communication is made to you in justice to Messrs. Palmer, Cook & Co., on whose bond you appear as sureties.

I am, respectfully, your ob't servant,

S. A. McMEANS, State Treasurer.

Messrs. John C. Hays, D. C. Broderick and R. L. Beard.

The preamble and resolutions upon this subject were referred to a Committee, viz.:

"Whereas the American Exchange Bank of the city of New York, for some unknown reason, failed to pay the interest on the State debt of the State of California, due in the city of New York on the first day of January, A. D. 1854; and whereas by reason of said failure the credit of the State of California was greatly endangered; and whereas, in view of this failure, and for the purpose of sustaining unimpaired the credit of the State, the firm of Duncan, Sherman & Co., of said city, did voluntarily and disinterestedly meet all demands for the payment of said interest from their private resources: therefore, be it

Resolved, by the Assembly, (the Senate concurring,) That the hearty thanks and acknowledgments of this State are due to the said firm of Duncan, Sherman & Co., for their generous intervention in thus sustaining the credit of the State.

Resolved, That our warmest thanks are hereby returned to these gentlemen for their action in the matter.

Resolved, That the Governor of this State be requested to transmit a copy of these resolutions to the firm of Duncan, Sherman & Co., and to procure the publication of the same in the New York Herald and other New York papers.

We have received by the present arrival from San Francisco, a copy of the Annual Report of the State Treasurer of California, communicated to the Legislature on the 15th December last. From this report we learn that the aggregate debt of the State at that period was \$3,464,815 70, viz.:

Three per cent. bonds outstanding,.....	\$4,075 00	
And interest thereon,.....	5,501 25	
		9,576 25
Seven per cent. bonds, under act of 1851,.....		384,000 00
Seven per cent. bonds, under act of 1852,.....		1,422,000 00
State Prison bonds, under act of 1853,.....		100,000 00
Comptroller's Warrants, outstanding,.....		161,619 80
		<hr/>
		\$2,077,196 05
Total War debt, to date,.....		924,259 65
Due School Fund, for School Lands sold,.....		463,360 00
		<hr/>
Entire debt, December 20, 1853,.....		\$3,464,815 70
Entire debt, June 30, 1853,.....		3,193,081 30

This is the fifth fiscal year of the State of California, to terminate on 30th June next. The following is an estimate of the receipts for the year:

State taxes, 60 cts. per \$100, on \$100,000,000, less cost of collection, \$160,000,.....	\$440,000
Tax on Foreign Miners,.....	125,000
Poll Tax,.....	60,000
Tax on Sales of Consigned Goods,.....	50,000
Licenses and Auction Duties,.....	75,000
Tax on Passengers,.....	26,000
Fees, &c.,.....	4,000
<b>Total for fiscal year 1853-4,.....</b>	<b>\$780,000</b>

*Estimated Expenditures.*

Salaries of Governor,.....	\$10,000
Comptroller,.....	4,500
Treasurer,.....	4,500
Secretary of State,.....	3,500
Attorney General,.....	2,000
Surveyor General,.....	2,000
Superintendent of Public Institutions,.....	4,500
Quarter Master General,.....	2,000
Clerks in State Offices,.....	19,444
Private Secretary to Governor,.....	3,800
Contingents of public offices,.....	25,000
<b>Total,.....</b>	<b>\$79,244</b>
Three Justices of the Supreme Court,.....	28,000
Eleven District Judges,.....	59,000
District Attorney,.....	5,000
Contingents of Supreme Court,.....	2,500
<b>Per diem and mileage of 33 Secretaries,.....</b>	<b>44,640</b>
“ “ 80 Assemblymen,.....	109,000
Officers and Clerks of Senate,.....	50,000
“ “ Assembly,.....	55,000
Contingents,.....	20,000
<b>Miscellaneous Expenditures,.....</b>	<b>278,840</b>
<b>Total for fiscal year 1853-4,.....</b>	<b>\$960,450</b>

Of the war debt, \$251,821 bears twelve per cent. interest; \$622,580 at seven per cent. Of the State credit and revenue, the comptroller's report says:

The indications of a yearly increase of revenue gives future promise of success and credit to our finances, provided proper, prudent and economical legislation shall hereafter diminish the heavy draughts upon the treasury, which have to this period

characterized our legislation, thereby enabling the State to practice a rule equally as necessary in public as in private policy, of meeting expenditures with a certain income.

The financial embarrassments and debts which have been so burdensome and humiliating to other States, carrying them in some instances to the verge of repudiation, have generally been the result of using their credit for obtaining the means to carry on systems, or perfect schemes of internal improvements, and the agents who were instrumental in their creation, claimed the credit of having contemplated the construction of some great work having permanency, and from which they anticipated such income and profits, as would not only reimburse the expenditure, but eventually lighten the burthen of taxation. Our debt, however, has accumulated for ordinary expenses and temporary purposes, with few exceptions, such as for an Insane Asylum, State Prison, etc.

As has been shown in the preceding statements, our civil, war and school debt amounted, in the aggregate, to \$3,193,081 31 on the 30th of June, 1853, and although a large sum, to have accrued within the period of four years, still no cause of alarm exists with regard to our ability to meet it, provided it is not increased by further fundings—requiring additional interest tax for its security and payment.

## BANK STATISTICS.

### INDIANA.

At the last annual meeting of the Board of Directors of the State Bank of Indiana, James Morrison, Esq., whose term of service, as president of the bank, had expired, introduced to the board his successor, Ebenezer Dumont, Esq., who presented his commission from the Governor of the State, appointing him, under his election, president of the State Bank of Indiana, for five years, from the 13th day of February, 1854, on the back of which is an endorsement of his having taken the oath of office required by the charter; and, thereupon, as such president, he took his seat, and Judge Morrison, with acknowledgments of the uniform courtesy and regard manifested towards him during his continuance in office by the members of this board, retired.

On motion, by Mr. Rathbone, the following preamble and resolutions were unanimously adopted:

WHEREAS Hon. James Morrison, having for a period of ten years presided over the State Bank, is about to withdraw from its service, this board desires, in taking official leave of him, to place upon record their high sense of his worth as an officer and a man, and to tender to him, in his retirement, an expression of our earnest wish for his future welfare and happiness: Therefore, it is unanimously

*Resolved*, That, in parting with Hon. James Morrison as President of the State Bank, this board bears cheerful testimony to the able, faithful and impartial manner in which he has, during so long a period, discharged his various duties as presiding officer of the institution which we represent, and also to the unvarying courtesy and consideration which have distinguished his action in all that related to his official trust, and in his personal intercourse with the members of this board.

*Resolved*, That our best wishes accompany Judge Morrison in his re-

tirement, and that we shall ever cherish a recollection of our long association with him, full of kind and pleasant feelings, and a hope that many occasions will yet present to renew and keep alive the friendship and respect which have hitherto characterized our intercourse with him.

*Resolved*, That a copy of the foregoing preamble and resolutions be furnished by the cashier to Judge Morrison, and also that the same be published in the papers in the city and in the Bankers' Magazine.

The following preamble and resolutions are submitted by Mr. Fletcher, and unanimously adopted :

WHEREAS this board feels that it is due to the late president, Hon. James Morrison, that the condition of the bank, at the time of entering on his official duties, in 1844, and the period of the close of his service in 1854, be exhibited and published : Therefore, it is

*Resolved*, That the cashier make such comparative exhibit, and publish the same, with the proceedings of the board at this session, and in the Bankers' Magazine.

*Comparative view of the condition of the State Bank of Indiana on the 31st of October, 1853, with that of ten years previous, being the 31st of October, 1843.*

	Oct., 1843.	Oct., 1853.	Increase.
Bills of exchange,.....	\$284,756	\$3,438,862	\$3,154,106
Notes discounted,.....	1,533,679	1,598,532	64,853
Circulation,.....	2,115,225	3,834,765	1,719,540
Specie,.....	969,806	1,377,804	408,498
Individual deposits,.....	200,248	716,048	515,800
Surplus fund,.....	352,568	979,199	626,630
Capital stock,.....	2,138,172	2,150,107	11,935
			Decrease.
Suspended debt,.....	822,159	147,099	675,160

#### BANKS OF PENNSYLVANIA.

*Capital, Circulation, Bank Deposits, Individual Deposits, Loans, Specie, Indebtedness to other Banks, Notes and Checks of other Banks, Real Estate, Bonds and Mortgages of each. November, 1853.*

<i>Liabilities.</i>	<i>Capital Stock.</i>	<i>Circulation.</i>	<i>Due to other Banks.</i>	<i>Total Liabilities.</i>
1. Bank of Pennsylvania, . . .	\$1,875,000 00	\$712,589 50	\$564,000 43	\$4,648,278 95
2. Philadelphia Bank, . . .	1,150,000 00	208,872 54	719,545 52	3,927,018 10
3. Bank of North America, . . .	1,000,000 00	470,680 93	552,019 75	3,840,106 66
4. Commercial Bank of Phila., . .	1,000,000 00	813,794 00	215,784 08	2,638,575 90
5. Far. and Mech. B'k of Phila., . .	1,250,000 00	890,481 23	521,377 30	4,027,990 19
6. Girard Bank, . . .	1,250,000 00	620,510 00	565,884 56	3,897,548 61
7. Southwark Bank, . . .	250,000 00	192,965 00	101,914 53	1,294,818 10
8. Bank of Commerce, . . .	250,000 00	146,975 00	87,035 93	979,119 21
9. Mechanics' Bank of Phila., . .	800,000 00	419,341 50	187,696 95	2,023,640 94
10. Western Bank of Phila., . .	418,600 00	259,205 00	270,903 94	2,078,520 11
11. Bank of Northern Liberties, . .	450,000 00	261,814 00	76,143 30	1,659,639 18
12. Bank of Penn Township, . .	225,000 00	256,115 00	90,270 43	1,443,906 52
13. Manufacturers and Mechanics' . .	800,000 00	865,615 00	19,511 23	1,212,526 97
14. Kensington Bank, . . .	250,000 00	215,815 00	28,991 86	1,120,651 94
15. Trademen's Bank of Phila., . .	150,000 00	246,910 00	8,996 16	954,247 97
16. Bank of Germantown, . . .	200,000 00	153,714 00	17,479 19	696,874 19

<i>Liabilities.</i>	<i>Capital Stock.</i>	<i>Circulation.</i>	<i>Due to other Banks.</i>	<i>Total Liabilities.</i>
17. Bank of Delaware County,	\$155,700 00	\$189,651 00	\$18,858 07	\$594,718 09
18. Bank of Chester County,	225,000 00	248,265 00	24,848 50	898,428 24
19. Farmers' B'k of Bucks County,	92,220 00	97,067 00	14,008 41	297,968 09
20. Doylestown Bank of Bucks Co.,	89,560 00	167,195 00	11,944 74	355,877 16
21. Easton Bank,	400,000 00	609,175 00	15,894 62	1,011,570 96
22. Far. and Mech. B'k of Easton,	260,000 00	428,685 00	.....	826,946 69
23. Miners' Bank of Pottsville,	200,000 00	847,780 00	16,650 14	886,980 28
24. Farmers' B'k of Schuylkill Co.	100,000 00	190,280 00	2,887 07	369,585 23
25. Bank of Montgomery County,	237,525 00	817,014 50	39,748 69	1,061,430 27
26. Lebanon Bank,	97,965 00	191,040 00	7,487 06	369,127 92
27. Farmers' Bank of Reading,	300,380 00	868,680 00	40,065 08	1,477,470 20
28. Lancaster Bank,	403,900 00	607,299 00	124,787 46	1,683,608 56
29. Lancaster County Bank,	179,585 00	581,725 00	20,914 11	940,907 44
30. Farmers' Bank of Lancaster,	350,000 00	610,530 00	8,788 77	1,250,850 84
31. Columbia Bank,	250,000 00	357,142 00	16,667 67	952,475 19
32. York County Bank,	100,000 00	228,775 00	608 10	398,052 22
33. York Bank,	400,000 00	685,980 00	18,922 18	1,555,088 08
34. Bank of Gettysburg,	123,878 00	318,595 00	9,301 25	499,995 85
35. Bank of Chambersburg,	205,470 64	431,990 00	4,412 17	836,111 04
36. Harrisburg Bank,	240,000 00	464,645 00	15,373 66	987,428 90
37. Dauphin Deposit Bank,	50,000 00	.....	6,449 17	733,280 14
38. Mech. Sav'gs Bank of Harris'g,	25,000 00	.....	18,121 50	149,684 75
39. Bank of Middletown,	102,000 00	346,640 00	11,621 99	739,201 57
40. Bank of Northumberland,	160,000 00	371,890 22	10,589 19	639,044 61
41. Wyoming B'k at Wilkesbarre,	85,785 00	109,475 00	1,981 40	378,742 24
42. Honesdale Bank,	100,000 00	240,575 00	.....	378,498 23
43. West Branch Bank,	100,000 00	220,765 00	2,954 84	542,581 18
44. Erie City Bank,	60,400 00	59,750 00	.....	174,456 20
45. Bank of Pittsburgh,	1,142,700 00	248,567 00	31,196 25	2,279,496 51
46. Exch. B'k of Pittsburgh,	818,000 00	828,590 00	27,711 96	2,011,209 52
47. Merch. and Man. B'k of Pitts'g,	600,000 00	600,922 50	22,498 17	1,706,251 10
48. Farmers' Deposit B'k of Pitts'g,	62,500 00	.....	1,806 41	251,805 65
49. Citizens' Deposit B'k of Pitts'g,	52,748 00	.....	.....	86,495 66
50. Pittsburgh Trust Company,	199,238 71	.....	3,010 51	540,493 18
51. Monon. B'k of Brownsville,	200,000 00	271,570 00	21 51	609,391 80
52. Farmers' and Drivers' Bank,	100,000 00	275,605 00	1,576 48	428,739 82
53. Franklin B'k of Washington,	149,280 00	286,100 00	2,166 66	475,287 55
54. Bank of Danville,	150,200 00	217,780 00	2,967 58	569,808 28
55. Carlisle Deposit Bank,	30,000 00	.....	59,185 24	366,289 84
56. Lancaster Savings Institution,	50,000 00	.....	.....	683,797 99
57. Hanover Saving Fund Society,	26,000 00	.....	20,777 91	104,893 29
58. Shrewsbury Sav'gs Institution,	11,629 00	.....	15,000 00	37,008 28
59. Somerset Savings Institution,	.....	.....	.....	3,079 53
60. Lewisburg Savings Institution,	29,960 00	.....	.....	40,177 28
61. Allegheny Saving Fund Com.,	50,625 00	.....	.....	140,726 26
<hr/>				
	\$19,765,964 26	\$17,411,970 96	\$4,640,970 42	\$63,802,964 61

	<i>Loans.</i>	<i>Specie.</i>	<i>REMOANCES. Due by Banks.</i>	<i>Notes and Checks of other Banks.</i>	<i>Real estate and personal property.</i>	<i>Bonds, mortgages, etc.</i>
1.	\$2,428,964 26	*\$577,183 77	\$38,565 59	\$720,887 68	\$124,793 32	\$50,393 67
2.	2,822,241 27	404,111 55	563,836 09	.....	59,000 00	17,666 52
3.	1,949,859 65	*723,504 29	80,945 00	297,560 23	40,000 00	3,310 16
4.	1,858,153 74	165,550 08	25,963 15	238,560 19	54,633 24	4,410 00
5.	2,550,266 84	431,463 89	208,194 50	69,601 43	103,167 64	2,465 62
6.	1,989,946 82	*690,839 20	841,292 40	.....	.....	.....
7.	737,991 86	228,658 40	17,793 82	274,920 12	15,000 00	.....
8.	624,107 99	*322,568 49	6,790 20	.....	.....	12,000 00

	<i>Loans.</i>	<i>Specie.</i>	<i>Resources.</i> <i>Due by Banks.</i>	<i>Notes and</i> <i>Checks of</i> <i>other Banks.</i>	<i>Real estate</i> <i>and personal</i> <i>property.</i>	<i>Bonds,</i> <i>mortgages,</i> <i>etc.</i>
9.	\$1,654,734 83	*670,114 76	\$180,162 28	....	\$42,088 08	\$10,800 00
10.	1,400,742 23	222,688 38	80,565 15	847,566 90	26,000 00	....
11.	990,431 77	102,425 79	150,065 90	230,976 41	12,505 00	5,697 00
12.	937,001 67	222,628 41	56,778 24	....	20,002 00	....
13.	890,866 63	*271,976 34	39,861 98	....	26,853 02	....
14.	754,940 44	166,078 16	46,828 63	4,721 74	4,987 19	....
15.	450,844 29	192,246 80	5,621 24	288,473 74	12,025 19	....
16.	578,597 02	*69,751 81	....	....	8,177 13	20,380 00
17.	445,886 98	53,689 98	60,790 85	11,584 22	4,000 00	8,615 00
18.	616,608 14	80,898 70	78,285 40	22,172 00	10,000 00	....
19.	227,236 15	22,475 19	20,292 63	7,167 92	8,061 17	....
20.	252,220 27	46,877 00	20,608 16	....	8,148 01	200 00
21.	972,687 12	52,268 40	89,637 17	43,810 73	6,786 12	58,806 42
22.	642,847 59	58,437 90	81,574 07	10,664 40	12,062 18	....
23.	538,195 60	35,606 56	166,832 09	35,381 92	41,707 21	62,732 82
24.	256,710 04	*74,220 89	7,692 98	675 00	10,000 00	11,262 85
25.	731,667 43	112,776 09	15,055 12	8,149 22	9,483 00	11,720 00
26.	258,512 54	49,252 61	32,406 55	23,945 00	....	8,732 86
27.	1,122,207 34	*187,956 81	28,535 34	61,970 17	24,587 52	800 00
28.	1,256,573 97	96,676 21	97,783 87	92,093 66	18,220 85	43,000 00
29.	683,152 76	83,454 14	99,962 18	13,443 00	8,508 26	23,235 85
30.	824,178 61	76,089 69	108,527 89	26,523 67	7,000 00	79,698 90
31.	615,896 43	45,017 83	95,718 33	10,436 13	17,067 84	....
32.	299,855 69	44,447 02	26,149 12	26,740 16	....	....
33.	592,421 24	62,402 53	116,725 18	511,161 09	7,286 99	31,281 10
34.	262,044 87	52,727 90	64,001 39	27,450 95	8,125 00	55,554 04
35.	511,715 19	37,226 22	111,015 62	9,324 75	20,942 67	65,549 46
36.	586,880 04	74,618 68	140,561 65	19,243 00	30,000 00	65,149 58
37.	633,936 96	29,101 24	64,258 74	....	5,000 00	....
38.	114,773 56	18,097 34	90,415 08	206 40	....	....
39.	416,268 54	12,638 06	80,876 21	21,583 25	5,534 87	11,500 00
40.	400,473 31	24,721 05	97,696 75	11,370 00	10,248 55	22,225 67
41.	290,100 58	14,948 27	67,682 91	3,815 54	2,244 99	....
42.	188,699 72	26,910 77	175,240 89	....	7,619 18	....
43.	238,722 53	26,456 79	10,185 33	45,285 00	9,907 58	40,280 75
44.	100,189 66	17,324 49	43,387 99	4,804 00	....	....
45.	1,043,832 81	249,219 18	203,985 90	62,815 16	33,000 00	1,376 00
46.	1,462,548 10	215,227 59	165,617 05	27,560 00	48,498 66	9,577 07
47.	1,312,256 87	94,988 75	125,500 99	22,437 00	33,474 49	20,898 00
48.	314,152 74	26,144 22	4,902 52	....	2,482 42	....
49.	81,361 25	4,050 80	....	....	....	....
50.	453,433 35	43,562 68	25,922 97	....	12,000 00	....
51.	290,023 60	93,652 45	132,944 24	42,988 00	3,312 69	32,051 81
52.	256,675 97	22,572 62	139,884 62	7,324 48	3,251 80	4,375 78
53.	182,542 12	73,271 43	49,889 57	16,485 00	3,406 73	11,737 70
54.	396,971 17	39,283 31	115,793 22	2,945 00	....	4,484 11
55.	301,220 03	4,900 05	4,446 45	49,222 62	6,000 00	....
56.	567,450 30	20,625 27	....	....	21,175 00	8,246 19
57.	88,615 59	2,628 25	....	....	....	10,088 00
58.	84,746 75	2,152 87	....	....	....	....
59.	3,070 78	....	....	....	....	....
60.	28,247 66	4,619 61	6,558 32	....	....	....
61.	117,087 03	15,105 83	883 62	....	4,464 38	....
<hr/>						
	\$42,567,777 26	\$7,774,790 63	\$5,375,738 07	\$3,804,401 13	\$1,007,843 25	\$321,787 98

\* Specie and specie funds blended.



## THE FRENCH SYSTEM OF COINAGE.

[We have received from Paris a copy of a "Letter to the Hon. Hannibal Hamlin, Chairman of the Committee of Commerce in the United States Senate; by Alexander Vattemare, accompanied by an historical popular description, in English and French, of the metrical decimal system, by Mr. Wm. W. Mann, a citizen of the United States; and reports by Mr. Silbermann, Superintendent of the *Conservatoire des Arts et Metiers*, and by Mr. Durand, Commissary General of Coins and Medals, on the standard weights, measures and coins exchanged between the governments of France and the United States. Published in Paris, December, 1858.

We extract from this pamphlet of 92 pages octavo, the following remarks by Mr. Mann and by Messrs. Silbermann and Durand. Ed. B. M.]

## I. REMARKS BY W. W. MANN, ESQ., OF GEORGIA.

It now only remains to explain the currency of France, and show the manner in which it is connected with the metrical decimal system of weights and measures. The *franc* is the monetary unit. Its value is 18 cents 7 mills of our money. It is, by the rule of *decimals*, divided into *decimes*, (dimes or tenth parts,) and *centimes*, (cents or hundredth parts.) Accounts are kept in francs and centimes, as with us in dollars and cents. The franc is a silver coin, made of an alloy of which 9 parts in 10 are pure silver, and 1 copper. *The franc piece weighs 5 grammes of this alloy.* All silver coins, multiples, and divisions of the franc, weigh in proportion. Gold coins are made of an alloy, of which the proportions are the same as that of silver, viz.: 9 parts pure gold, and 1 part copper. The alloy of copper coins is thus formed:

95 parts copper, 4 parts tin, 1 part zinc—100.

Of this alloy, the 1 centime piece weighs 1 gramme, and all the copper coins, multiples of the centime, weigh in proportion. The coins of France, as established by law, are as follows:

GOLD.		
Denomination.	Weight.	Diameter.
20 francs.	6.45161 grammes.	21 millimetres.
10 do.	3.22580 do.	17 do.
5 do. (*)	1.61290 do.	14 do.
SILVER.		
5 francs.	25 grammes.	37 millimetres
2 do.	10 do.	27 do.
1 do.	5 do.	23 do.
50 centimes.	2½ do.	18 do.
20 do.	1 do.	15 do.
COPPER.		
10 centimes.	10 grammes.	30 millimetres.
5 do.	5 do.	25 do.
2 do.	2 do.	20 do.
1 do.	1 do.	15 do.

\* The above table is corrected according to the imperial decree of January 12, 1854, regulating the gold coinage. The gold 5 franc piece will be soon issued.

We meet occasionally with gold, silver and copper coins of other than the above denominations. But none such are now struck. They belong to old coinages, and are being gradually withdrawn from circulation. The copper currency, as above described, is regulated by recent statute, (6 May, 1852,) and the new coins which the statute prescribes are just entering into circulation.

Of the three species of standard coins :

8,100 francs in gold,	} weigh 1 kilogramm.
200 do. in silver,	
10 do. in copper,	

They may thus be employed with facility and confidence, in domestic and private affairs, from  $\frac{1}{4}$  a gramm up to any desirable amount, in lieu of the regular brass and iron weights. It is by decimal division and by the weight and diameter of the coins, that the connection is established between the currency of France and the metrical system of weights and measures. It was intended to make this connection more intimate and complete, by so regulating the *diameter of the coins*, that by placing a certain number of them in juxtaposition, touching each other in a straight line, the *metre* and its various divisions might be reproduced; thus affording a convenient mode of establishing, in case of need, the various divisions of lineal measure. Though this may be actually done, by combination of the figures of the above table, with sufficient exactitude for ordinary purposes, the rigorous and theoretic exactitude of the operation has been destroyed by the practice adopted of placing letters in relief upon the edge of many of the coins. This practice is perhaps regrettable, and should be promptly abandoned, as impairing the beautiful harmony and close connection of its parts with one another, that is so remarkable in the system. It would even be well, for the purpose of popularizing the knowledge of this connection of the coins with the metrical system, and of making them convenient and useful as weights and measures, to stamp, upon the silver and copper coins, the weight and diameter of the pieces.

I have now given, my dear sir, what seems to me a lucid description of the metrical decimal system of France. The most ordinary man cannot fail to understand it, in its minutest details, if he will bestow upon it even a small degree of attention. He can hardly fail to perceive how vastly superior it is over all others that have been invented, in its simplicity, its certainty, its convenience, and in that admirable cosmopolitan character recommending it to universal adoption. *Metrical*, it is an homogeneous whole, connected throughout all its parts, with a certain scientific base, the metre. *Decimal*, it introduces practically into all calculations of weights, measures and money, the facility, certainty and convenience, which already characterize our calculations of dollars and cents. Let me again express the hope that the beautiful collection of its models, now in the Patent Office at Washington, will attract the attention of the intelligent merchants and legislators of my country; and that steps will soon be taken to incorporate into our legislation this system of weights, measures and coins. I know that this would be a work of labor, and difficulty, and temporary annoyance. I know, as was remarked by

President Fillmore in a letter addressed to yourself about a year since, that "nations change their customs and habits with difficulty." I'll grant, if you choose, that the whole present generation will live and pass away annoyed and perplexed by the daily comparisons and constant collisions of the new system with the old. But the evil will, in a few years, pass away with the generation itself; and the good will remain, a perpetual blessing to posterity. Our children, the rising generation, will be taught the new system in our schools; they will become gradually accustomed to it, in daily domestic practice; and when, in a few years, they shall be ready to enter upon the active duties of life, they will find themselves familiar with the system, in its minutest details; and, then, the work is done; the transformation complete; the metrical decimal system will have entered completely into the habits of the country. Sir, the prevailing systems of the United States have had their day, and they were useful in their day. But they are now antiquated, and they should be laid by with antiquated things. We should put them where we have put our great grandmother's hoops, and our grandfather's knee-breeches; we should put them where we have put pole-boats, corduroy roads and rumbling stage-coaches; where we have put aerial telegraphs and flint fire-locks. And we should make haste to put them away. The difficulties of the work of reformation are every year increasing in a frightful progression. Think of the enormous rate of our national progress—of the march of our population—of the annual growth and enlargement of our commercial relations, interior and exterior! Indeed, when these things are considered, it seems that the legislators of to-day, who devolve upon those of to-morrow, the consummation of this great reform, are incurring, before posterity, a fearful responsibility. And are we not in the habit of exaggerating the difficulties of this transformation? It is being effected in France easily, steadily, and without any of those hiccups, coughs, colics, and broken bones, of which timid politico-economical doctors are so apprehensive. I say it is being effected in France; for it is only since January, 1840, that the exclusive use of the weights and measures of the metrical decimal system has been obligatory throughout France. Prior to that date, the use of old weights and measures was permitted, for certain purposes, concurrently with those of the new system.

By way of avoiding too abrupt changes, in so important matters as the weights, measures and currency of nations, many progressive political economists ask, if it would not be well to commence by agreeing upon and adopting some common system—not necessarily the new system of France—but some other, a better, if a better can be found or invented—for use at all custom houses? The *Zollverein*, it is alleged, is trying this among the various German States composing that association, and with highly satisfactory results. It is true, the *Zollverein* has established its *pound* as equivalent to  $\frac{1}{2}$  a kilogramm, (500 grammes;) its *foot* to 30 centimetres; and its *pot* to  $1\frac{1}{2}$  litres. And it is said with the vulgar adage, "Half a loaf is better than none." But so necessary, so urgent, so inevitable, sooner or later, do I consider the total and universal substitution of some one, the best system, in place of the multifarious systems now prevailing throughout the world, that I should fear to be retarding

the final desirable consummation by the adoption of half-way measures; which, operating partial improvement, and making our situation a little easier, would weaken the inducement to radical and thorough change. If a capital operation is momentarily becoming more necessary and more difficult, it is the dictate of prudence and good sense to perform it at once. Off with the leg!

Permit me now, before closing this letter, to expose a few objections to the metrical decimal system as it is; and suggest two or three amendments, worthy of consideration, when the question of general adoption shall be seriously taken up by the United States and England.

Intended for France, and perfectly fitted, perhaps, without change, for exclusive French use, the illustrious authors of the system did not sufficiently remember in the arrangement of its details, that the day might come when all other nations would desire to share in its advantages. They made it in some of its details, too strictly French, when they might, without lessening its value for France particularly, have given it an attractive cosmopolitan air. But fortunately, as remarked above, its essential universality of character was not impaired. *It may be readily adapted to fit the world.* I will now proceed with my objections and suggested amendments.

1st. With a view to render the nomenclature of the system more fit for adoption without change, by all nations, and into all languages, I would recommend a modification, not of the etymology, but of the orthography of the *names of the units*. The names of the units, as they now stand, are liable to be very differently pronounced even in the same country. In the United States, for instance, some persons would make the names of the units monosyllables, others dissyllables; some would make the vowels long, others would make them short; some would say *liter*, others, *litter*; others, *leeter*; and others again, *leetre*, (one syllable,) like the French. The difference of pronunciation of the same word in different countries, would be so great as to make it impossible for foreigners to recognise the names of the units, except by the eye, in writing. I propose, therefore, to apply to all of them a rule of modification, which, not altering the etymology, will have the advantage of making unquestionable monosyllables of them all; and will establish the orthography in such a manner that the words must produce almost identically the same sounds in all the languages of Europe; and variation of pronunciation in the same country will be unknown. Thus let

Metre	become	Met.
Are	do.	Arr.
Stere	do.	Sterr.
Gramme	do.	Gramm.
Litre	do.	Litt.

Every Frenchman, at first sight, would pronounce these words almost exactly as we would in the United States. He cannot, by the rules of his language, do otherwise. In England and the United States the pronunciation would be absolutely uniform. In Germany and all over Europe, those letters would produce one and the same sound. But the final consonants must be preserved double, otherwise grave changes of pronuncia-

tion will immediately follow in France, and perhaps elsewhere. The names of the units thus modified, should be *invariable*, having no plural termination. The figures prefixed to them would sufficiently indicate their number, whether singular or plural. This new orthography should be preserved, throughout all the combinations of the nomenclature of the system.

2d. The denominations given to the multiples and divisions of the units, and to the weights and measures of the system, are unnecessarily and inconveniently various. Of what real use for instance is the denomination *kilolitre*? Why not say, when that quantity is to be expressed, 1,000 litres, or 10 hectolitres? And why have measures that are legally named and stamped—as we see they are in the enumeration, by Mr. Silbermann, of the sets forwarded to Washington—*double decalitre, decalitre, demi-decalitre, double decilitre, decilitre, demi decilitre*? Why not say instead, 20 litres, 10 litres, 5 litres, 20 centilitres, 10 centilitres, 5 centilitres? The *franc* is simply, conveniently, and quite as decimally, divided into *centimes*, as we see above. The *litre* should be divided into *centilitres*. We hear nothing in monetary divisions of *decimes* and *demi-decimes*. We should hear no more, in measures of capacity, of *decilitres* and *demi-decilitres*. This reform should be applied to the multiples and divisions of all the units throughout the series composing the system. The actual denominations are scientific, and strictly systematic, it is true; but it is well not to incumber a system, intended for universal and popular use, with more technical terms than are strictly necessary and convenient. To the masses, the terms objected to are not suggestive. They are inconvenient and perplexing, for they require complicated operations of the mind. Their incorporation practically into the system is doubtless one main reason why in certain localities of France it is found so difficult to substitute definitively the new system in place of the old. Reform would much facilitate business transactions, especially among the lower classes. 15 litres is a quantity more promptly apprehended, and more easily expressed by an ignorant man, than 1 *decalitre and a half*. The first expression, too, would be understood in all languages; the last would not be. The subject matter of the present objection originated perhaps in a pardonable scientific pedantry. *Savans* are not usually the most practical of men. But the clinging to actual denominations, in spite of the exposed inconvenience of them, would be a deference to the illustrious authors of the system, unworthy of the practical utilitarian age in which we live. We are seeking a system for universal adoption, fitted for the convenient daily use of the masses in all countries, not for the exclusive use of the privileged and educated few. The modification leaves untouched the base of the system. The principle of construction and the mode of combination by which the actual denominations have been established, remain the same. I would therefore suggest that the United States and England, on adopting the metrical system, should fix the denominations of the multiples and divisions of the several units, and the names of the measures.

3d. As for the *money of France*, I should be sorry to see it adopted by us, with the metrical system of weights and measures, unless we intro-

duced, at the same time, an important modification of the *monetary unit*. The connection with the metrical system, by weight and diameter of the coins, and by decimal divisions, should remain unimpaired; but the actual unit of this country, the *franc*, (equivalent to 18 cents 7 mills of our money,) is *too small*. Fortunately, they have here a silver coin, the *five franc piece*, of nearly the same value with our dollar. Let us take the five franc piece, of the actual weight and composition, change its name, divide it decimally into cents and mills, and, making it the *unit of money*, accept French moneys, with French weights and measures. The change of unit would in no way affect the relation of the currency with the system. What name shall be given to the unit? It should not be *dollar*; it should not be *franc*. These being already well known units, in common use, and of different values from that proposed to be established, either of those names would create a confusion of accounts as well as of ideas that should be avoided. Besides, those names have a character of nationality, that might be seized upon by national prejudices, and become ground of refusal, or of delay in the universal adoption by all civilized nations of one and the same system of weights, measures and money. Let us make a name for the new five franc unit, as the French have already made names for the other units, free from all these objections. And for this purpose let us again apply to the *ancient Greek*. Let us take the old Greek silver coin, *στατρη* (*stater*), and make it the name of the new unit. It may be adopted without any change, *stater*; or, analogizing it to the already adopted names, it may become *statre*; or, better still, entering thus perfectly into the modification of the nomenclature of the system which I have recommended above, it would become *statt*. We should thus have the three denominations of money—*statre*, *centistatre*, *millistatre*—to annex to the five series of weights and measures described in the 2d of the amendments to the system which I have above proposed; each series, *composed of three denominations only*, except that of long measure, of which the two extremes, the two supernumerary terms, millimetre and myrimetre, are retained for scientific purposes. It would be well, perhaps, to add to the monetary denominations *decastatre*, (10 statres,) for the expression of very large sums. But I would urge the adoption of the modified nomenclature suggested in the 1st of my above amendments. *It belongs to no modern language*, while the actual names of the units have a French air, that might render them unacceptable to certain other nations. *Its terms are shorter*; and therefore more convenient for use. *There would exist among all nations a hardly appreciable difference of pronunciation*. This is a capital quality in a system proposed for universal adoption. If their beautiful and admirable system were adopted by us as a whole, the French themselves would doubtless accept some or all of our modifications, and all other nations would soon follow.

I remain, respectfully, your friend and obedient servant,  
WILLIAM W. MANN, (of Georgia.)

N. B. Messrs. Silberman and Durand have given minutely, in the-  
able reports, which I am told are to accompany your letter to the chair-

man of the committee of commerce, all purely scientific informations relative to the weights, measures and coins of France, that could be desired. It has been my aim in the foregoing remarks, to give a plain, practical description of the metrical decimal system, for the perusal of plain, practical men. And to this end, I have avoided all scientific details that were not necessary to the elucidation of my subject. Permit me, with the same view, to add to my letter a sheet of drawings or engravings, which will present to the eye of the reader, with sufficient exactness for my purpose, the form of the weights, measures and coins of France, and other instruments, not in common use, under the system.

W. W. M.

## II. LEGAL VALUE OF COINABLE METALS.

### COINS.

The monetary series joined to the preceding, completes the metrical system; it is connected with it by the weight of its unit, the franc, which is of 5 grammes. The legal value of the coinable metals is as following:

METALS.	PROPORTION.	VALUE OF THE KILOGRAMME.			
		Of alloyage at 0.9.		Of pure metal.	
		Coined.	Bullion.	At par.	At change.
Gold, . . . . .	620	fr. 8,100	fr. 8,064	fr. c. 8,444 44	fr. c. 8,487 77
Silver, . . . . .	40	900	193	223 23	220 00
Copper, . . . . .	1	5	..	..	..

NOTE. The bank notes of 100 f., 200 f., 500 f. and 1,000 f., issued by the banking house, continue that series.

The piece or bank note of 50 f., intermediate element, has not been yet created.

Done at Paris, May 5, 1852.

*The Superintendent of the Conservatoire des Arts et Metiers.*

J. T. SILBERMANN.

## III. REPORT ON THE FABRICATION OF FRENCH COINS. By Mr. B. Durand, Commissary General of the Coins and Medals.

You have invited me, in order to complete a report you intend to address to the government of the United States, to make known to you—

1. The relation existing between our national coins and the decimal system applied to our weights and measures.
2. Our monetary organization.

I hasten, my dear sir, to comply with your wishes, begging of you to excuse me, if, in consequence of my occupations, I do not give to those questions the development they deserve. However, I should be most happy if this notice, although incomplete, might be serviceable to the end you aim at.

### *On the Decimal System applied to French Coins.*

The intention of the law regulating the decimal system, intention formally expressed, was, that the divisional pieces of the monetary unit

should correspond with the divisions adopted for the weights and measures; and this was so much the more rational, as the calculations applying to coins are, beyond comparison, those most in use; therefore they must be employed as the most efficacious means for rendering the decimal system more familiar to the people, who, usually, have little time to devote to their education.

But what is to be understood by *decimal coins*?

The constitutive law of Germinal 7, an. XI, (March 28, 1803,) fixed as follows the nature of the pieces that were to be coined:

1. Gold 40 f., 20 f.
2. Silver 5 f., 2 f., 1 f.,  $\frac{1}{2}$  f.,  $\frac{1}{4}$  f.,  $\frac{1}{8}$  f.
3. Copper 10 c., 5 c., 3 c., 2 c.

For many persons, these divisions of pieces seem to respond to the question proposed; but it is a grave error, for most of these coins deviate from the decimal division. In fact, the pieces of 40 fr., of  $\frac{1}{2}$ , of  $\frac{1}{4}$  of franc, and those of 3 centimes, do not divide neither 100 nor 10. This last number, which alone is the basis of vulgar numeration, has only two divisors, 2 and 5.

In the nomenclature of weights and measures the multiple units being 10,000, 1,000, 100 and 10, and the sub-multiple units, 0,1, 0,01, 0,001, the absolute unit 1 has alone a simple name, the multiples and sub-multiples have compound names, but each of them constantly represents ten in relation with their immediate sub-multiple.

Thus, the *myriagramme* is equal to 10 *kilogrammes*, the *kilogramme* to 10 *hectogrammes*, the *hectogramme* to 10 *decagrammes*, the *decagramme* is itself equal to 10 *grammes*, etc. The same occurs for the measures of capacity, etc., etc. But in order to give to the sale of various objects all the desirable conveniency, the following expression has been used: that every unit of decimal measure and weight shall have its double and its half, (law of Germinal, 18, an. III.)

Now, 2 is the double of each unit separately taken, and 5 is the half of each multiple or sub-multiple unit of 10.

The decimal multiples of the monetary unit only have no compound names; but nevertheless they must be considered as particular units, every one of which is ten times greater than the unit of next inferior order.

Thus, 100 f., value 10 times 10 f., 10 f., ten times 1 f. The franc contains 10 decimes, and the decime ten centimes. It is necessary, in order to be consistent with the whole of the system, to apply to coins the division adopted for weights and measures of capacity, for want of which we deviate from the decimal system, and the intention of law is disregarded.

Every one sees, in fact, that 40 francs do not divide 100 more than 4 divides 10; that 25, also, is not a decimal divisor, for it is only  $2\frac{1}{2}$  in relation to 10, unit immediately inferior, and  $\frac{1}{2}$  in relation to 100 unit immediately superior.

So it is for 25 centimes in relation to 1 decime to 1 franc. These numbers, as divisors of 100 or of 1, return to the binary system which generates unexact fractions. Now, the binary division being com-



pletely rejected by the law of July 4, 1837, why should it be left to reproduce itself in coins?

To be consistent with the decimal system, and thus to connect the coins with the divisions of 10, so that the absolute monetary unit and every one of its multiple units be expressed, laws and ordinances have modified the law of Germinal 7, an. XI, and have established as follows the divisions of our coins:

1 centime, 10 centimes, 1 franc, 10 francs, 100 francs.\*

The double of which is,

2 centimes, 20 centimes, 2 francs, 20 francs.

And the half,

5 centimes, 50 centimes, 5 francs, 50 francs.†

The piece of 1 centime has no half; that of 100 francs has no double.

From purely monetary considerations, the pieces of 100 francs and of 50 francs have not been struck. The piece of 40 francs is yet current: but the coinage of it has long time since been discontinued.

The coin currency in France is thus composed at present:

For gold,	of pieces of.....	20 fr. and of 10 fr.
" silver,	do. ....	5 fr., 2 fr., 1 fr., 50 c., 20 c.
" bronze,	do. ....	10 c., 5 c., 2 c., 1 c.

coins completely decimal.

Allow me, my dear Sir, to notice here a few small errors, without any importance, which have glided into Mr. Silbermann's remarkable report on the metrical weights and measures sent to the government of the United States of America, which report you have been pleased to communicate to me.

Naturally, in my character of a mint officer, I was obliged to pay great attention to the chapter of that report relative to coins, and I have noticed, on one side, that Mr. Silbermann, relying upon an ancient and repealed legislation, had given to certain of our coins, unexact standards, allowances and diameters.

In order to rectify these slight errors, I add to these notes a synoptical table containing all the necessary information on the fabrication of French coins.

On the other hand, in the column of observations of the 1st table of the chapter already noticed, Mr. Silbermann expresses the opinion that, according to the diameter of the pieces, put end to end, the length of the metre is to be found. If a comparison similar to that described by Mr. Silbermann was possible formerly, it would be destroyed to-day by the difference resulting from the letters upon the edge of the coins which are in relief on a great number of our coins, while they were sunken when the contingency of the relation with the metre was established.

\* The coinage of the 100 francs pieces was authorized by an ordinance of the month of November, 1834.

† The coinage of the 50 francs piece has not yet been enacted.

I dare believe, my dear Mr. Vattermare, that Mr. Silbermann will see no captiousness in the very modest observations I took upon myself to make on so small a portion of his remarkable work. Practical men are undoubtedly the last that would give credit to the slightest error.

I come now to the information you have been pleased to ask me on our monetary organization.

*Fabrication of Coins.*—France has adopted for the fabrication of its coins the system of contract.

This fabrication is entrusted, under the control and supervision of State, to contractors invested with the title of directors of the fabrication.

The expenses allowed to these contractors, expenses borne by the owners of the metals coined, are regulated as follows :

1 fr. 50 c.	by kilog. of silver at 900-1,000*
And 6 "	" " of gold at the same standard.

In consideration of the sum thus retained, the directors of the fabrication are charged with all the expense of the contract, such as the pay of workmen, the replacement and keeping of all the monetary furniture.

They have likewise to pay for the stamps, the weighing, the calculation and the verification of the pieces coined and put in circulation.

The directors of the fabrication are, besides, obliged to furnish, without any increase of expenses, in divisions of the 5 francs piece, the fortieth of the amount of the fabrication of silver, say 25,000 francs per million.

These 25,000 francs are thus divided :

5,000 fr.	in pieces of 2 fr. " c.
12,000	" of 1 "
6,250	" of " 50
1,250	" of " 20
<hr/>	
25,000 fr.	

One tenth of the fabrication of gold must be in 10 francs pieces.

There exist in France seven mints, viz : I. At Paris. II. At Rouen. III. At Lyons. IV. At Bordeaux. V. At Strasbourg. VI. At Marseilles. VII. At Lille.

*Control.*—The control and superintendence of the fabrication of coins are entrusted to an administration designated under the title of *commission of coins and medals*. This commission is composed of three members, one president and two commissaries general.

Their functions consist in—

1. Deciding the standard and weights of the coins fabricated and superintending, all over France, the execution of the monetary laws, the fabrication of coins and the assay of gold and silver fabrics, etc., etc.

2. Superintending the operations of all the officers of the mints.

They propose the tariffs determining the standard according to which the coins and gold and silver metals are received in the mints. They order the assay of foreign coins recently fabricated, etc., etc.

According to an ordinance of 1832, they superintend the fabrication of medals, the tariffs of which they propose, and they authorize their delivery and sale.

They are also charged with a control over the fabrications of plates and the printing of postage stamps, bank notes and playing cards.

The commission of coins and medals is under the authority of the finance department.

There are attached to it—1. A bureau of assay, composed of a verifier, two assayers and a deputy assayer.

2. An engraver general and two deputies engravers.

3. A controller for the fabrication of coins and stamps.

There are in each of the mints, besides the director of the fabrication :—  
1. A commissary, superintendent. 2. A controller for change. 3. A controller for coining. 4. A clerk.

All the officers and agents charged with the control and superintendence of the fabrication of coins, receive a fixed salary charged to the public treasury.

Laws and regulations, determining the functions of these various officers, offer sufficient guarantees for the proper execution of our national coins.

Here, my dear Mr. Vattemare, the notes you have asked me, conclude; they will perhaps be useful to you for comprising their substance in the report you are preparing; I ardently hope they may suffice to the work of devotion and patriotism you have undertaken. Persevere in that path, my dear Sir, in endeavoring to make universal a system which is one of the glories of France. Already in its application to coins, it has had numerous imitators, not only by the adoption of the standard of our coins, of their decimal divisions, of their value, but of our monetary organization. Belgium, Piedmont, Switzerland, Spain have entered this path. Our coins circulate in those various countries as in France, and likewise in Germany and in a part of America.

Certainly, according to the specimens you have presented to our monetary museum in the name of the United States, the American Government has nothing to envy to any people of old Europe in relation to the beauty of the stamps of their coins; but this is not enough, and the day when the United States will have decidedly adopted the decimal system and inscribed in their laws that: five grammes of silver at the standard of  $\frac{1}{2}$  of fineness constitute the monetary unit, they will have enlarged the circle of international exchanges, and resolved the great question of an universal coinage.

I remain, etc.,

(Signed,) B. DURAND.

## THE BANKING SYSTEM OF NEW YORK.

## REVIEW OF THE RECENT CASE BEFORE THE SUPREME COURT OF NEW YORK.

*Transfer of a private Bank. What it conveys. Discretion vested in Bank Department in retaining interest on securities.*

THE opinion of Pratt, Justice, lately given in the Supreme Court of New York, in the case of "the People *ex rel.* William B. Storms *vs.* the Superintendent of the Bank Department," contains an interesting review of the legal position occupied by private bankers in that State, and will, we think, be read with interest in other States where general banking laws have been or are about to be adopted. As the State of New York was the pioneer in establishing the system, its statutes have in most instances furnished the model for other legislatures to improve upon. And there is great room for improvement. With the numerous amendments made from time to time, they fill an octavo pamphlet of more than sixty pages, and there can be no doubt that all that is essential might be condensed into ten or fifteen.

The case upon which the opinion referred to was given, so far as we can gather it from the judge's remarks, was simply this: Keep had established a private bank, called the Mechanics' Bank, of Watertown, and deposited the required amount of securities with the Bank Department, (\$50,000,) to which additional securities had been added from time to time, and a corresponding amount of bills issued therefor. He sold out all his securities and business facilities to Storms, who assumed all the obligations, and removed the office to Camden, returned a certain amount of Keep's circulation to the department, and demanded in lieu of it blank bills, with the privilege of altering the plate so that the new issue should purport to be that of the Mechanics' Bank of Camden. The superintendent refused to issue any notes to Storms, and believing the condition of the bank to be unsound, retained the interest on the securities. Storms applied for a mandamus.

We give below, under appropriate heads, the substance of the opinion, following the judge's language as nearly as possible.

*False impressions relative to private Banking.*

It becomes important in the outset to have a right conception of the nature and theory of private banking, or rather of the agencies employed in that kind of business as distinguished from the agencies connected with incorporated and associated banks. A very general opinion seems to prevail in the community, that the agencies in the two cases are substantially the same; that both are a species of institutive corporate franchise, with only this difference, that the stock in one case is owned by a single individual, whilst in the other it is distributed among a number of individuals, greater or less. It is assumed that the individual bank, like the incorporated one, is a species of legal entity in itself, capable of being sold or assigned, of perpetual succession, of suing and being

sued. A suit is now pending in this court, instituted in the name of the bank as plaintiff, instead of that of the banker.

And the legislature itself, it seems, has sometimes fallen into the same errors. In an act providing for annual reports, the reports of individual bankers, as well as those of banking associations, were required to be verified by the oaths of the *presidents* and *cashiers* thereof, thus assuming that there are necessarily, in the transaction of private banking, such officers as a president and cashier. These reports were also required to contain, among other things, a statement showing the amount of the *certified stock* of the capital stock of such banker or banking association. Now, there are no such officers connected with private banks as president or cashier or directors, in the legal sense of these terms. And when these titles are assumed by their carrying on the business of banking, the only object to be obtained by it, is to indicate the nature of the duties they discharge, and not any legal—official powers or privileges which appertain to similar officers in associated or incorporated banking companies. If the private banker assumes to himself, as he often does, the title of president, and signs his circulating bills as such, it cannot enlarge or limit his responsibility. He is still the maker of the note, personally responsible for its payment, and the only party to sue or be sued; neither is there any such thing as certified stock of the capital stock of an individual banker; there is no capital stock in such cases, in the legal sense of the term, as applied to associated banks. The banker may have more or less capital, the same as a merchant or mechanic, but not otherwise.

#### *Origin and policy of New York Banking Laws.*

At common law, banking, like every other business, was free to every body, and a special grant of power from the government was necessary to enable a private banker to issue promises to pay on demand, and to put them in circulation. Notes of this description were first issued in England by the goldsmiths to their customers, as acknowledgments for having received money to their use. (Chitty on Bills, 554.) But it has always been deemed the prerogative of the government to provide for and regulate a circulating medium, to facilitate exchanges and the transaction of the mercantile business of the country, and which should be a legal tender in the payment of debts. Hence, as these bills or notes began to circulate as money, in the ordinary transactions of business, and to take the place of the legal circulating medium of the country, laws were enacted regulating and restraining their issue and circulation.

In this State, for a long time previous to 1838, we had what was termed the restraining acts; restraining and regulating to a greater or less extent the entire business of banking, but especially prohibiting the issue of notes or bills to circulate as money except by companies specially incorporated for that purpose, which were styled Banks. The policy of these laws was two-fold: First, to provide for the transaction of that kind of business upon an adequate capital, and under such regulations and supervision as were deemed necessary to secure, as far as practicable, the bill holder; and, secondly, to limit the amount of paper circulation,

and thereby prevent an inflated and depreciated currency. Under this system the business of banking became a monopoly in the possession of a limited number of individuals, and was obnoxious to that spirit of free competition in all pursuits which has since become prevalent, and which seems to be more in accordance with the genius of our institutions.

Hence, the policy of the restraining acts, so far as that policy tended to create monopolies or to limit the business of banking, was entirely changed by the provisions of the General Banking Law, and an entire system of free banking adopted in its stead. This change was based upon the assumption that banking, like any other trade or business, so far as any danger of excessive banking is concerned, might be safely left to regulate itself; that free competition and the laws of demand and supply, applicable to every department of business, would constitute a better regulator of the amount of banking necessary to meet the wants of trade and commerce than any special legislation upon the matter. Every feature, therefore, of monopoly or special privileges was swept away by the act, and every department of banking left open and free to every body upon the same common terms.

Restrictions upon the business were still retained, but solely to guaranty to the public the prompt redemption and ultimate security of the circulating notes. Hence, in the legislation upon the subject, various conditions are imposed upon those who would engage in the business of banking, to secure that object.

The General Banking Law was therefore adopted with a two-fold object: First, to abolish the whole system of monopolies and special privileges which belonged to the old system, securing perfect freedom to all to engage in the business upon equal terms; secondly, to surround the new system with such safeguards, and to impose upon those who should engage in the business such conditions, as were deemed necessary to protect the community against the issue of an irredeemable and worthless paper circulation.

*A Private Banker has none of the characteristics of a Corporation or Institution.*

Under the law of New York, to carry out the policy indicated above, two kinds of banking were provided for; associated and individual or private. Those who desired, might voluntarily associate together for the purpose of banking, and an association thus formed has all the characteristics of banks under the old system, with all the rights and incidents pertaining to corporations. Not so with private banking, which is simply a personal business employment, with the right, under certain conditions, to receive from the Comptroller (now from the Bank Superintendent) circulating notes, and to issue them as money.

The original act requires no name to be assumed by which such bank shall be known, no stock is required, no particular amount of capital on which to commence business. No provision for succession is made as for suing or being sued. There is no dispensation from personal liability, no restriction as to the amount of real estate which may be held by the

bank, and no provision against the loss or withdrawal of the capital stock. There is nothing requiring the appointment of president, cashier or other officers, or any particular mode of executing contracts to make them binding. The act contains provisions of this character, but they are made applicable only to the associations formed under it.

But private banking, subject to the provisions deemed necessary to secure the prompt redemption of the circulating notes, is treated in the act, in all respects, as any other business or employment for which the individual engaged in it is responsible in his own proper person. The banker is individually responsible for the payment of his circulating notes, the same as the maker of any other promissory notes. The securities which he deposits with the bank department, as well as any other property which he may possess, are the subject of sale or transfer, subject to all prior liens and charges, the same as the property and stock in trade of the merchant or any other business man. But the business itself, or the right to carry it on, is not the subject of sale or assignment. Being free to all, subject only to the conditions imposed for the security of the bill holder, it cannot be the subject of ownership or property; it can have no legal succession. Such is, manifestly, the nature of private banking, treated as a mere business, free and open to all who may desire to engage in it.

*Relations of a Private Banker, under the act, to the public.*

But it must be conceded that the banker, upon complying with the requirements of the statute, and receiving bills from the department, enters into certain relations with the public, and assumes certain responsibilities which do not pertain to other ordinary employments. He can only issue notes, to circulate as money, which are furnished by the bank department, limited to the amount of securities deposited. He is not only liable to pay them, as the makers of other notes are liable, but he is bound to redeem at the times and in the places prescribed by statute, under penalties, in addition to the ordinary rate of interest. He is subject to the supervision and control of the bank department, and upon failure to comply with the requirements imposed by law, he may be restrained from further continuation of the business of banking; and his banking business, so far as issuing circulating notes is concerned, may be summarily wound up. Now, these provisions of the statute do not tend to make private banking business an institution, a kind of ideal being; but it does give a character to that kind of business, different from other kinds of business. The banker takes upon himself a kind of personal trust or confidence towards the public, which it is made the duty of the bank department to see that he faithfully discharges; and any omission on his part to discharge this trust or confidence, forfeits his right to continue the business. In fine, he assumes the character of private banker towards the public, becomes enrolled as such upon the records of the bank department, and as such assumes certain responsibilities, which the law imposes, and which it is the duty of the department to see that he discharges with fidelity.

*Can the Business be Transferred?*

In using the term banker, or business of banking, I mean only to apply it to that department of the business which consists in issuing circulating notes, and the interests and responsibilities connected therewith. It was not claimed that the business itself, or the character of the banker as such, could be sold directly; but it was insisted that a sale of the securities carries with it the right to transact the business of banking. In the first place, considering the business of banking as a mere trade or pursuit, upon general principles, or transfer of the property, would not transfer the business. The purchaser has received, by the purchase, no accession to the rights which he already possessed, nor has the vendor lost any such rights. It may be more convenient for the purchaser to transact the business with the facilities which the acquisition of the property may afford him, or more inconvenient for the vendor to continue the business after the transfer; but that is not a consideration which can affect their respective rights in the matter. It is a common law right, which any one may exercise upon complying with the conditions imposed by the statute. Whether Keep, or Storms, or both of them, are entitled to transact the business of banking, must depend upon the question, whether either or both of them have complied with those conditions. It is not denied that Keep has complied with them; and it is not claimed that he has forfeited the rights thus acquired, by the commission of any act forbidden by the statute, or made a cause of forfeiture. His right, therefore, to continue the business, would seem to be manifest. The sale of the securities cannot affect the uses for which they were originally deposited. It might as well be claimed that a sale of the lands, upon which the mortgage securities are a lien, would affect those uses. The securities were deposited for the purpose of securing the redemption of the circulating notes. Until these notes are redeemed and returned to the department, the law devotes them exclusively to that purpose. The same reasons which show that Keep still retains the right to bank, as clearly proved that Storms had not acquired the right. The only obstacle in the way of his exercising the right, either before or after the transfer, was the want of compliance, on his part, with the requirements of the statute. In other respects his right was complete. A purchase of another man's securities, which are already devoted to the purpose of redeeming bills issued by him, is not a compliance with those requirements. It cannot be made a substitute for it.

He does not purchase a right nor an institution, but simply the furniture used in the business of banking, together with the residuary interests of the banker in the securities deposited in the bank department. With these evidences of his right to transact the business of banking, he presents himself to the department, and demands blank notes for circulation. His request is refused—on the ground, not that he is not clothed with the common law right, but on the ground that he has not complied with those requirements of the statute which are made a condition precedent to the legal exercise of the right. But the relator says, "I am the owner of securities already on deposit in the department." The answer



is, those securities are already deposited for the redemption of notes issued by another man; until such notes are redeemed and returned, they cannot be made available for other purposes. By an act of the Legislature, the business of an auctioneer has been made free to every one who will file the requisite bond with the Comptroller. But it would scarcely be claimed that a sale of the furniture of the auction rooms and the stock in trade, would transfer to the purchaser, or divest the seller, of the right to continue the business. The purchaser would still be required to file the bond. So here Keep has transferred the property; but there is no institution to transfer any more than in the business of an auctioneer or merchant. The character of banker, which Keep assumed when he received the bills from the department and put them in circulation, and the relations and responsibilities which, as such, he assumed towards the public, were not the subject of sale. They were in the nature of a personal trust, or confidence, which, by the well settled principles of law, are not the subject of sale or transfer.

Upon no general principles of law can Storms claim to succeed to the rights and privileges of Keep, as a banker, by virtue of the transfer of the securities.

In the second place, it is clearly not within the purview of the general banking law, and the several acts amending it, that the business of individual banking should be the subject of sale or transfer.

It is conceded that a strict construction of the statute is opposed to it; but it is insisted that this power of substitution by sale may be found in an equitable construction, which courts are authorized sometimes to give to a statute, for the purpose of carrying into effect the intention of its framers. In answer to this it may be said, that where the terms of a statute are clear, where the natural meaning of its terms involves no absurdity, and is not manifestly in conflict with the intention of its framers, there is no call for the office of construction or interpretation. But it is not necessary, in this case, to claim the assistance of this principle. I am satisfied that this right of substitution, claimed by the relator, is not only in conflict with the literal reading of the statute, and unauthorized by any sound rule of interpretation, but it is in conflict with the obvious intent and purposes of the statute.

First, the great and leading object of the conditions imposed upon those who would engage in the business of banking, was to secure the bill holder. Here lay the danger of free banking. The bills issued were designed to circulate as money throughout the entire State. The great portion of those persons, through whose hands they must pass, could not become acquainted with the responsibility of those who should issue them. Hence, the provisions of the statute are designed almost solely to guaranty the redemption of the bills. It is only as the makers of the circulating notes, that the bank department is clothed with a certain control and supervision over private bankers.

It is for that, that the frequent reports are required to be made and published, and the power of visitation conferred upon the department. Hence, in construing the act, this idea should be constantly kept in view. The act requires no liberality of construction to make it efficient in

abolishing an odious monopoly, for every thing in the business in the nature of a monopoly was abolished by the act itself. But all the restrictions imposed were simply to protect the community against the issue of irredeemable and worthless circulating notes, and the act should receive a liberal construction for the purpose of securing this benign object.

Secondly, the whole tenor of the original act, as well as the subsequent amendments to it, show that the Legislature designed that the same party who received and issued notes should continue to be responsible for their redemption until they should be returned and cancelled at the department. By receiving and issuing the bills, the party, whether an association or an individual, assumes certain responsibilities towards the public, which continue so long as the bills remain in circulation. The former assumes the character of a bank and the latter that of banker. The bank being an artificial being, capable of perpetual succession, its identity is perpetual, whatever changes may occur in its officers or stockholders. But the banker being a natural person, there is no succession to the business nor to the liability, at least by the act of the party. And the terms employed in almost every section of the act show, that the identical maker of the notes, and him alone, is to continue responsible for the discharge of those obligations which the act imposes upon the banker, so long as these bills remain in circulation.

The *maker* of the bills is authorized to circulate them as money. They are to be presented to the *maker* for redemption; in case of failure to redeem, notice is to be given to the maker by the superintendent, preliminary to his winding up the business. "The Comptroller may give to any *person* or association, so transferring stock, powers of attorney to receive interest or dividends thereon;" and he may re-assign the bonds and mortgages to the *person* or association who transferred the same; and the *person*, &c., may receive the annual interest.

So the *banker* who has received bills of the department is required to file a certificate stating *the town*, city or village in which he resides. So every *banker* is required to appoint an agent to redeem the notes *issued by such banker*; and any neglect to redeem upon demand, subjects such *banker* to the payment of interest at the rate of 20 per cent. per annum upon the notes so demanded.

Other portions of the statutes might be cited; but these are sufficient to show that the terms used are strictly applicable to the original party who commenced the business of banking, and to no one else; that all the provisions of the statute are based upon the assumption that the party who issues the notes, and the party who is at all times responsible for their redemption, is identical; that the character and responsibilities of the banker are not to be transferred. It is only upon this assumption that effect could be given to many of the provisions.

For instance, in the case at bar, to whom should the circulating notes, issued by Keep, be presented for redemption? To whose agent in Troy, Albany, New York, should they be presented? and who would be liable for the payment of the 20 per cent. in case of neglect to redeem? It is manifest that Keep is the party against whom an action upon such notes

must be brought, for he alone is the party making them. It follows, therefore, that he is liable for the payment of the extra interest; and being the party liable for such payment, he is the only party against which the superintendent must proceed, in case of a neglect to redeem the notes and pay such interest in the time prescribed by the statute. He is the banker, so far as the bills in circulation are concerned, and the only one responsible for their redemption. There is not a term or an expression, in either the original act or the amendments, which refers to any successors or assigns of the party who receives and puts in circulation the bills.

\* \* \* \* \*

Third. This right of substitution would render nugatory many of the provisions of the statute, which were manifestly adopted for the benefit of the public, to enforce a prompt redemption of the circulating notes on presentment; to give public notice of the proper place for such presentment, and of the condition and responsibility of the banker.

The statute requires no name to be assumed by the banker to identify his notes; there is nothing by which they can be identified, except by the signature of the maker. And, although in this case the bills were issued in the name of the "Mechanics' Bank" of Watertown, yet one ground upon which the mandamus in this case was claimed, was the refusal of the superintendent to allow the plates to be altered, so that the new bills demanded should purport to be issued by the Mechanics' Bank of Camden. Now, upon the assumption that the entire business of banking has been transferred bodily from Keep to Storms, the bills in circulation should hereafter be presented for redemption to Storms. But how are the public to ascertain this fact? Here are \$60,000 of bills in circulation, issued by Keep, purporting to be payable at Watertown, and which may be issued and re-issued until they are worn out. How are the thousands, through whose hands they pass, to know that they are not payable by the man who issued them, and at the place of his residence?

How shall it be known that the agent of Storms in New York or Albany is to redeem them?

But again, each banker is required to make a quarterly report of the condition of his business, which is to be published in the county of his residence. Upon the assumption that Keep has, by the transfer, ceased to be a banker, he is not required to make reports; but they should be made by Storms. But his reports, whether made in his own name, or in the name of the Mechanics' Bank of Camden, would convey no valuable information to those holders of the bills issued by Keep, who had never heard of the transfer, and who might look in vain among the bank reports for information in regard to the Mechanics' Bank of Watertown, or Keep, the maker of the bills.

Fourth. It may be claimed that Keep still remains the banker as to the bills issued by him; but as to the issue of new bills, Storms is entitled to receive and issue them; and that, as to them, he should be deemed the banker by the department.

Several decisive answers might be made to this proposition.

1. It would entirely defeat the object of that provision of the statute

requiring the deposit of \$50,000 of securities to entitle the individual banker to receive from the department circulating notes. It was conceded by both sides, upon the argument, that the purpose of this provision is to prevent the multiplication of small and petty banks. But, upon the assumption that the business may be transferred, so as to entitle each successive owner to receive and issue bills in place of old ones returned, or to fill up the circulation to the amount of securities deposited, each remaining responsible for the redemption of his own issues, an indefinite number of bankers might be doing business at the same time upon one deposit of \$50,000.

2. The statute requires the business to be done at the banker's residence. In the case supposed, each successive owner might reside in a different place; and as he would have the right to re-issue the bills signed and issued by his predecessor, the bills would be issued in one place and redeemable in another. This was the mischief which the act, requiring the business to be done at the banker's place of residence, was designed to prevent.

3. Upon this assumption, what effect would the failure of Keep to redeem have upon the business of Storms, and *vice versa*? The failure of one must equally affect the other, otherwise the holders of the bills of both would not be equally secure. The securities stand pledged for the redemption of all the bills in circulation, by whomsoever issued.

Again, suppose the securities, in case of failure, should not be sufficient to redeem all the circulating notes, and the maker of one kind should be responsible and the other insolvent, could the holder of the bills issued by the latter compel the holders of the bills issued by the former to resort to his personal responsibility, leaving the securities to be applied in payment of the bills issued by the insolvent makers? Therefore,

It will be seen that the idea of several different persons banking upon the same deposit of securities, would not only render nugatory important provisions of the statute, but it would involve the whole business, in its relations to the bank department, in a system so complicated that it would be next to impossible to administer it.

Fifth. If the Legislature had designed that this business of banking should be the subject of transfer and sale from one to another, it is passing strange that no provision has been made in any of the acts pertaining to the subject for such a contingency. The contingency of a change of residence of the banker is provided for, and notice required to be given to the department. But a change of ownership, an event infinitely more important, as affecting the relations of the banker to the department and to the public, is utterly ignored in all the legislation upon the subject.

Again, the statute contains specific directions to be observed by the banker who desires to discontinue the business of banking. It does not recognise the right to relinquish the business by selling out to another, but by redeeming at least 90 per cent. of the circulation, and depositing to the credit of the superintendent an amount equal to the notes unredeemed. The statute also points out divers ways by which the individual banker may forfeit his right to bank. Upon such forfeiture, it is made the duty of the superintendent to take the necessary steps to restrain him

from further prosecuting the business, and to wind it up. But a sale of the banker's residuary interest in the securities furnishes no occasion for the exercise of this power.

Upon the whole, it appears to me clear that there is no authority in the statute by which the right to receive from the department, and to issue circulating notes, is or can be acquired by transfer or assignment, either by a purchase directly of right, or by purchase of the stocks and other property employed in the business.

*Can the Courts control the discretion vested in the Superintendent relative to the retention of Dividends on Stock, &c.*

The act of 1840 provides, that "whenever the securities deposited for the redemption of circulating notes shall, in the opinion of the Comptroller, (now the Superintendent,) become insufficient for that purpose, he may receive the dividends on stock, as well as the interest on mortgages, and deposit the same," &c.

The act provides for no particular kind of evidence to be taken by the Comptroller upon which to base his opinion, but the matter seems to have been left to his unlimited discretion. The statute would seem to be based upon the assumption that the head of the bank department of the State is possessed of peculiar opportunities, and has access to all the sources of information necessary to render him competent to make up a correct opinion when it is necessary to exercise the power given him, and when not. It may be assumed that he will, at all times, be familiar with the general business of the country, and particularly with the state of the money market, the value of stocks and other securities. By means of the reports made to the department, he may be supposed to have a thorough knowledge of the condition of each bank and banker of the State. In fine, it can scarcely be conceived where a power of that kind could more safely be lodged than with the head of the bank department.

The question then arises, have the courts the legal power to control the superintendent in the honest exercise of his discretion in the matter? It is plain, to me, that they have no such power.

In the first place, from the very nature of the case, the superintendent, with all his facilities for information upon the subject, would be much more competent to judge correctly than the courts themselves. There are many elements necessary to be taken into consideration to enable a person to decide correctly, which cannot, from the nature of things, be supplied by evidence. For instance, the extreme pressure in the money market which has transpired since the decision of this case at Special Term, would have been difficult of proof before it happened; and yet a close observer of the course and circumstances of trade might perhaps have predicted it with considerable confidence. The indications of what was coming might well have warranted a business man in taking extra precautions to guard against it, and yet have been altogether too uncertain and unsatisfactory upon which to base the judgment of a court of justice. It is a mere question of business, upon which the most prudent and far-seeing might err. And yet it is a matter in regard to which

discretion must be vested somewhere ; and no one will contend that the head of the department is not as well situated to judge correctly as any power to which it might be entrusted.

In the second place, the rule is well settled that when a discretionary power is vested either in a court or officer, and they have exercised that discretion, a mandamus will not be granted. If the subordinate power refuses to act, they may be put in motion by mandamus, but they cannot be directed how to act. (12 J. R., 414 ; 19 J. R., 266.) This principle is elementary, and seems never to have been questioned in this State so far as it applies to cases where the discretion to be exercised is subject to no fixed legal rules.

In the case of the *People vs. Superior Courts of New-York*, (5 Wend., 114,) this court made a distinction between those cases and cases in which the inferior tribunal is bound to proceed according to well established legal principles. The court held, that in the former class of cases the discretion could not be controlled, whilst in the latter it might be. In the case at bar, the discretion was clearly not to be exercised according to fixed legal rules. No particular kind of evidence was to be adduced upon which the superintendent was to base his opinion. His discretion was broad and unlimited. In such cases the rule is well settled, that the office of a mandamus is to compel the inferior power to act, and not to compel him how to act ; to compel him to decide, but not to direct what the decision shall be.

Thirdly. It is not necessary to decide what would be the effect of a manifest abuse of discretion. I am satisfied that the superintendent is not confined in such cases to the consideration of the value of the securities alone, either present or prospective. If such was the extent of his duty, he would be authorized, judging of the future from the past, to retain the income upon the securities in all cases in which they are partly composed of mortgages. But he should undoubtedly go further, and consider the probability of a suspension of payment by the bank in question. Upon this question, the conditions and future prospects of the money market, and the liabilities of the banker, together with his resources, become important elements of consideration. The superintendent had before him the quarterly reports, by which it appears that there were in circulation \$62,634 in bills received from the department. The resources for the redemption of this circulation consisted of \$1,200 in specie and some \$18,000 in notes and discounts. Here was a banking business in operation with a circulation of over \$62,000, upon a capital not exceeding \$20,000. Of the bills received from the department, over \$40,000 must have been paid out for the securities deposited. Whether such a bank could transact a legitimate business a single day, during a pressure in the money market, we may not, without the testimony of those familiar with that kind of business, be able to determine judicially. The superintendent would be more competent to pass upon that question than this court. It is sufficient, however, that there was no more evidence before the Special Term than there is here, to show that a bank having three dollars of circulation to one of resources, including notes and discounts, is a sound bank. We cannot say that the superintendent, upon

this report, was not authorized to conclude that this bank was not entirely safe from those disasters which sometimes overtake the attempt to do a large banking business upon little or no capital. It furnishes no answer that Keep stood ready at the time to pay the par value for the mortgage securities. They were not then for sale, and he did not propose to guaranty their future value. And if he had, the superintendent was not authorized to act upon any such security. He must judge of their value, and of their sufficiency as security for the redemption of the circulating notes, independent of any considerations of that character. Besides, it would scarcely require proofs to convince any one that where money is worth two or three per cent. a month in Wall-street, mortgages upon lands in the country, drawing interest at the rate of seven per cent. per annum, would not sell to any considerable extent at their par value.

I am therefore satisfied that the relator was not entitled to a peremptory mandamus, and the order at special term must be reversed with costs.

We have presented the points of this decision more at length, because the subject of revising these laws has been of late repeatedly before the legislature. In respect to the power of the bank superintendent to take the necessary measures to inform himself, there seems to be great want of clearness, or rather great room for quibbling, as has been seen by a recent case, where the real owner of one of the travelling banks out west, a New-York broker, refused to allow his clerks and confidants to answer questions propounded by the examining agent, on the strength of legal advice. Why cannot the superintendent or the governor be authorized to engage the services of some competent lawyer to condense into one act the law as it now stands, and make such recommendations for amendments as shall seem advisable?

---

#### REDEMPTION OF THE PUBLIC DEBT.

THE following communication of the Secretary of the Treasury to the Committee of Ways and Means will attract a lively attention, as showing the mode adopted by him for purchasing the public stocks, and the reasons in favor of that mode over the mode heretofore pursued. The statement accompanying the communication shows the amount of stock secured and the large amount of interest saved by the purchase.

We agree in opinion with the Secretary, that no mode of purchasing could be fairer to the public creditors than this, of purchasing by public offer at fixed prices, to the community at large, or more honorable to the government.

---

TREASURY DEPARTMENT, March 6.

Sir,—I have the honor to acknowledge the receipt of your letter bearing date the 6th inst., enclosing the following resolution of inquiry from the House of Representatives: "That the Committee of Ways and Means be instructed to inquire into the expediency of changing the

present mode of anticipating the payment of the public debt of the United States, by directing the withdrawal of the definite offers of the Secretary of the Treasury, and substituting therefor invitations to the holders of said debt to submit proposals for the surrender thereof at rates to be specified according to some uniform system in such proposals, the lowest and most favorable of which may be accepted by the Secretary of the Treasury at such times and rates, and in such amounts, as shall be deemed expedient, and that the said committee report thereof by bill or otherwise," referred to your committee, requesting my views as to the relative merits of the two modes of anticipating the payment of the public debt, with such other suggestions that I might deem proper.

By the act approved the 3d day of March, 1853, authority is given to the Secretary of the Treasury to redeem the public debt at the current market price. The current market price was found by the sales of these stocks at the brokers' board in New York and Philadelphia, and was subject to the fluctuations growing out of the condition of the money market, the number of purchasers, and the amount of stock offering.

Under the authority of this act, no more of the public debt could be purchased than the current market price would command; and the current market price was subject to the combination of holders, who were always apprized of the fact that the government was in the market. The market was constantly on the advance while the government was purchasing, and there was, whilst the government was purchasing, no mode of avoiding the continued advance of the stocks, and withdrawing from the market would leave the money unproductive in the treasury.

It was thought that this continued advance could be avoided by a public offer of the stocks at the then current market price, and that mode was adopted by the public offer stated in my annual report. The amount of stocks obtained between 4th March, 1853, and the 3d March, 1854, was \$12,118,933 40.

The effect of the offer was to withdraw all the government stocks from daily sale, at the brokers' board, and transfer the daily sale to the treasury, and enable the government to obtain all that was for sale in this country, and considerable amounts from Europe.

On the 1st January, a public offer was made for \$7,000,000 of the debt at somewhat different rates of premium for part of the debt, and the redemption has been continued under that public offer, and is now in satisfactory progress. The mode, by public offer, has prevented an advance in the current market price, and enabled the government to obtain all that was in market, without reducing the balance in the treasury as low as authorized by the act. This fact proves that the premium was sufficient, because it secured all that was for sale; and was not too high, because it did not induce holders to part with their stock faster than the government had the means to anticipate the payment.

It is believed that no mode can be devised that will procure a greater amount of the debt without advancing the premium, and none could be fairer to the public creditors, or more honorable to the government.

The debt is now redeemed at a rate which would pay about four per cent. considered as an investment. The letter and table "A," herewith trans-



mitted, exhibit the amount redeemed up to 3d March, 1854, exclusive of the five per cents., redeemable by their terms 30th June, 1853, and the premium paid, and the saving to the government by paying in advance.

The mode indicated in the resolution, in contrast with the one now in operation is, that the holders of the public debt shall periodically be brought in competition with each other by invitations from the Secretary of the Treasury, according to some uniform system contained in the proposals, and that the Secretary shall accept the lowest and most favorable offers, and redeem at such time, and in such amount, as he may deem expedient.

If, under this invitation, the Secretary is to fix the maximum he will give for the several stocks, it does not differ from the present mode of public offer, except that it would bring the holders into competition, with a hope of their underbidding each other, and thus enable the Government to obtain the debt for less money, and would make the redemption periodical instead of daily. But if, under this invitation, the Secretary is not to fix the maximum at which he will redeem the stock, the bidders will make their offers wholly in the dark as to what the Government will give, and whether their offers will be accepted; and it is subject to the objection that bidders who are forced to sell, or who wish to sell for change of investment, will have to resort to the brokers' board, because they will not be able to sell to the government and realize the amount daily, as the necessity and disposition to sell arise.

It is believed that the result of such a change in the operations of the department in relation to the public debt would increase the unproductive surplus in the treasury, and have a tendency to create alarm and anxiety in the public mind as to the effect of this large accumulation of coin upon the financial affairs of the country; whilst a public offer at a fixed rate for the public debt has a tranquilizing effect, by the assurance that this accumulated surplus is subject to the redemption of the public debt whenever a pressure for money forces the stocks into market to meet the wants of the holders.

I am, very respectfully,

JAMES GUTHRIE,

*Secretary of the Treasury.*

Hon. GEO. S. HOUSTON, Chairman Committee of Ways and Means,  
House of Representatives.

#### THE PUBLIC DEBT OF THE UNITED STATES.

*Communicated to the Bankers' Magazine.*

The Secretary of the Treasury, by his circular dated Dec. 1st, 1853, offers the following premiums on U. S. bonds, viz.:

Stock redeemable	31st December, 1867,.....	121 per cent.
"	" 30th June, 1868,.....	121 "
"	" 31st December, 1862,.....	116 "
"	" 12th November, 1856,.....	108½ "

The 1st having 14 years to run, is equal to an investment at..... 4.088 per cent.

2d        14½ "        "        "        "        "        4.129 "

3d        9 "        "        "        "        "        3.940 "

from the 1st January, 1854.

The 4th, three years from the 12th November, 1853,..... 3.077 "

To prove the correctness of this calculation, I first undertake to show the position in which the holder would be at the end of the term, if he continued to keep the stock until redemption, compared with the result, if he should accept the above offer. The calculation is based upon the supposition that the interest is instantly reinvested at an average rate of 5 per cent. per annum, and therefore compounded semi-annually at that rate :

Stock redeemable in 14 years, or 31st December, 1867. Principal,..... \$1,000  
\$30 paid semi-annually will improve in 14 years to..... 1,195 79

Receiving at the end of the term..... \$2,195 79

If redeemed on the 1st January, 1854. Principal \$1,210. Interest at the

rate of 4.088 per cent. on \$1,210 or 24.732 every six months, which

will improve in 14 years to..... \$985 81 2,195 81

Stock redeemable in 14½ years, or 30th June, 1868. Principal,..... 1,000

\$30 paid semi-annually will improve in 14½ years to..... 1,255 69

\$2,255 69

If redeemed on the 1st January, 1854. Principal \$1,210. Interest at

4.129 per cent or 24.98 half yearly, will improve in 14½ years

to..... \$1,045 57 2,255 57

Stock redeemable in 9 years, or 31st December, 1862. Principal,..... 1,000

\$30 half-yearly, for 9 years equal to..... Interest,..... 671 59

\$1,671 59

If redeemed on the 1st January, 1854,..... \$1,160

Interest on \$1,160, at 3.940 per cent., or 22.852 for 6 months,

will improve in 9 years to..... 511 57 1,671 57

Stock redeemable in 3 years from 12th November, 1853, or on 12th

November, 1856. Principal,..... \$1,000

\$30 half-yearly for 3 years, equal to..... 191 63

\$1,191 63

If redeemed on the 12th November, 1853. Principal,..... \$1,085

Interest on \$1,085 at 3.077 per cent., or 16.693 for 6 months, will

improve in 3 years to..... 106 63 1,191 63

Had the Secretary of the Treasury selected a different mode for utilizing the funds in his hands, he might have benefited the Treasury as well as the community. He might have offered to loan the money upon the security of the stock, at the rate of 6 per cent. per annum, by which he would have saved the whole interest due on the

same. He would have effectually relieved our money market, and having the power of stopping the loan in case of any unforeseen emergency, he could have provided for the perhaps improbable case, that the amount thus temporarily loaned, if recalled, could have been used for any other purpose.

But by offering such enormous premiums, he has secured but a small percentage for the advanced payment, or rather for the use of the money, and has benefited almost exclusively foreign bondholders, who were induced to accept such liberal offers, and to send over their stock for redemption.

This circumstance created an increased demand for Exchange; it consequently raised the rates of bills on Europe, multiplied our shipments of specie, and thus it became a great, if not the principal cause of the distress which has reigned for some time in our commercial circles.

Yours, very respectfully,

J. F. E.

New-York, January 27th, 1854.

*Statement showing the amount of stock of the loans of 1842, 1846, 1847, 1848, and Texan indemnity, purchased from 4th March, 1853, to and including 3d March, 1854; the interest which would have been payable provided the stock had matured, the saving to the Government on the purchase; and also the amount of the debt of the corporate cities of the District purchased, and the amount saved upon such purchase previous to its maturity.*

<i>Redeemable.</i>		<i>Interest from Jan. 1,</i>	
Loan of 1842,	Dec. 31, 1862,.....	\$1,898,385 49	1853,.... \$1,139,031 29
do. 1846,	Nov. 12, 1856,.....	1,611,839 71	do. .... 373,902 64
do. 1847,	Jan. 1, 1868,.....	5,943,550 00	do. .... 5,349,195 00
do. 1848,	July 1, 1868,.....	1,717,158 20	do. .... 1,596,957 12
Texan ind'y,	Dec. 31, 1846,.....	252,000 00	1854,.... 138,600 00
		<hr/> \$11,422,933 40	<hr/> \$8,597,686 05
Interest paid,.....		\$478,097 38	
Premium,.....		2,058,593 97	
			<hr/> 2,536,691 35
Saved to the Government,.....			<hr/> \$6,060,994 70
 <b>Debt of corporate cities, (\$60,000, payable annually,) \$696,000. Interest</b>			
to maturity, 1st January, 1865,.....			\$209,660
Premium and interest paid,.....			110,490
			<hr/> \$99,170
Saved to the Government,.....			

## FOREIGN ITEMS.

**MONEY MARKETS OF EUROPE.**—The continental capitals evince considerable disturbance in financial affairs. The war rumors continue seriously to affect the values of public securities. Letters from St. Petersburg, dated 12th ult., state that the proposed issue of bank notes, to the amount of 60,000,000 silver roubles to defray war costs, would, it was averred, be borne out by the value of the specie in the cellars of the citadel, stated to amount to 142,000,000 silver roubles: the normal proportion this specie is allowed to bear to paper currency is 1 to 3; at present the latter is quoted at 222,000,000, so that if the above is correct, there is still a margin of 204,000,000 for further issue, (other correspondence has pointed out that as soon as war shall be declared against the western powers, the Church will freely open her coffers for the purposes of so holy a conflict.) It is further hinted that, as Russia will necessarily be compelled to "fight shy" at sea when attacked by England and France, she would issue letters of marque.

It is known that the 50 million francs deposited in the Bank of France to the credit of Russia, have been withdrawn.

**FRANCE.**—From the London *Times* we learn, that among the commercial reforms contemplated by the French government, the establishment of the system of bonded warehouses, comprised in the proposal for the construction of the Napoleon Docks at Paris, is likely to be carried forward, whatever may be the impediments interposed by the existing state of political affairs to the general run of new enterprises. The concession for these docks, which was given some time back to a public company, embraces the exclusive privilege for the issue of warrants analogous to those issued in this country, or goods in bond, and which constitute a facility to trade hitherto unknown in France. They are to apply alike to goods liable to the octroi duty, and to those which come under the general custom's laws; and, as the annual value of the articles of raw material and consumption, together with that of free goods that enter Paris, is estimated, even under the existing arrangements, at £40,000,000, of which one half at least are likely to be warehoused, the measure would be of a momentous character. At the same time, from the simplification it would introduce, the friends of free trade believe it would be of considerable value in accelerating that movement. Under these circumstances, it is stated that Mr. Arthur Berryer, the son of the orator, has recently been dispatched to England on a special mission from the French government to gather full information regarding our docks and bonded warehouses, and the effect of the report he may make is anticipated with interest by the mercantile classes.

**CONTINENTAL FINANCES.**—Russian five per cents still maintain high figures: sales quoted at 111 to 113 on the 7th, and 108 to 110 on the 14th. Austrian five per cents were quoted at 88 to 90. Letters from Amsterdam state, that a large portion of Russian Imperial Bonds lately withdrawn from the English market by the Emperor, were sold in the Amsterdam market for his account, to meet, it was supposed, the dividends due on the Russian loans.

The Russian Government are said to have resolved upon an increase of £9,500,000 in their paper circulation, to meet the cost of armaments in progress. At the same time, to prevent the distrust that might thus be occasioned, statements are given out that the specie in the citadel at St. Petersburg amounts to £22,500,000, while the existing paper circulation does not exceed £35,000,000. This statement of the amount of specie on hand is doubted in London, and the amount of the paper issues is thought to be understated.

It has been ascertained that two large steamships are in course of construction on the Tyne river, ostensibly for Russian merchants; but it is believed they are really for the Russian Government.

The Austrian Government has declined to make a new loan; but in order to meet the exigencies of the year, has decided: 1. To issue State paper currency to the fixed maximum of 150 million florins. 2. A sale of assignats hypothecated on *salines*. 3. To open special credits for payments abroad. [*London, Feb. 15.*]

AMERICAN SECURITIES IN LONDON.—The chief transactions have been in the United States Federal Stocks, in Pennsylvania State Bonds, and in the Six per Cent. Bonds of the City of New Orleans. Quotations of the 15th March are thus reported:

United States 6 per cent. Bonds, 1868,.....	106½ a	107½
Do. 6 per cent. Ins. Stock, 1867-8,.....	106½ a	107½
Pennsylvania 5 per cent. Bonds, 1877,.....	78 a	80
Maryland 5 per cent. Stg. Bonds,.....	94 a	96
Virginia 6 per cent. Bonds, 1886,.....	95 a	96
Boston City 5 per cent. Bonds, 1883,.....	97 a	98
Do. 4½ do. ....	102 a	—
Montreal City 6 per Cents, 1857-'65,.....	86 a	87
New Orleans City 6 per cent. Bonds, 1863,.....	83 a	85
Belvidere, Delaware 6 per cent. 1st Mort. and Convertible, 1877,.....	90 a	—
Cincinnati and St. Louis 7 per cent. 1st Mort.,.....	90 a	91
Chicago and Mississippi 7 per cent. 1st Mort.,.....	88½ a	90
Michigan Central 8 per cent. 1st Mort.,.....	101 a	103
Do. 6 do. Ster'g Bonds,.....	93 a	98
Pennsylvania Central R. R. 6 per Cents, 1880,.....	93 a	93½
New York and Erie 7 per cent. 1st Mort., '68-9,.....	105 a	106
Do. 7 per cent. 2d Mort., 1859,.....	94 a	96
Do. 7 per cent. 3d Mort., 1883,.....	86½ a	87½
Do. 7 per cent. Convertible, 1862,.....	86½ a	88½
Ohio 6's of '70,.....	104 a	—
Do. '60,.....	96 a	—

BANK OF ENGLAND.—The following is a summary of the Bank of England returns to the 21st of January:

#### BANK OF ENGLAND.—LIABILITIES.

Capital,.....	£14,553,000
Circulation,.....	£29,406,690
Less on hand,.....	7,135,195
Rest,.....	22,271,495
Public Deposits,.....	3,333,780
Other Deposits,.....	2,646,783
Other Deposits,.....	13,894,599
Seven day and other bills,.....	1,232,096
Total,.....	£57,931,753

#### ASSETS.

Government Debt,.....	£11,015,100
Gold Coin and Bullion,.....	£15,406,690
do. in Banking Department,.....	689,576
Public Securities,.....	16,096,266
Other Securities,.....	16,522,538
Other Securities,.....	14,297,849
Total,.....	£57,931,753

The *Times* of March 16 says:—"The increasing tightness of the Money market, and the corresponding increase in the value of money, are, in the absence of any definite news from the East, the chief events during the past week possessed of interest to a commercial reader. This stringency is caused by the enormous demand recently for exportation to Paris, owing to a favorable rate of exchange, and it has been computed that upwards of £1,500,000 have, during the past fortnight, been extracted from the Bank coffers for that purpose. Much uneasiness is being felt, as the Government have stated that they will require a large amount for accommodation, and should the efflux of gold to the continent continue, the Bank may have again to apply the screw, and, by an additional one half per cent. to the rate of discount, add to the present embarrassment of trade.

**BULLION.**—There has been an active sale of Bar Silver at 5s. 1½d., which is a slight advance on previous quotations. Dollars remained as before, (4s. 11½d.,) but the supply is good. The chief demand this week has been for the continent, which, from alteration in exchange, may induce a large export both of silver and gold for a short time. There have been some large arrivals of gold lately, and more looked for daily. Doubloons are not in much request, but prices do not give way. Money in full employment, and rates without change.

Foreign Gold in Bars, (Standard,) per oz.,.....	£3 17s. 6d.
do. Silver in Bars, (Standard,) per oz.,.....	0 5s. 1½
Gold Coin, Portugal pcs., per oz.,....	3 17s. 4
do. Doubloons, Patriot, per oz.,.....	3 17s. 0
do. do. Spanish, per oz.,.....	3 18s. 0
do. Napoleons, per oz.,.....	3 16s. 0
do. 10 Guilder pieces, per oz.,.....	3 16s. 0
Silver Coin, Mexican and South American Dollars, per oz.,.....	0 4s. 11½
Spanish Pillar Dollars, per oz.,.....	0 5s. 0½

**FRENCH BUDGET.**—The French Minister of the Interior has addressed a circular to the Prefects, informing them that the Emperor has just opened a credit of 2,000,000 francs from the budget of the Interior, to be divided amongst the various institutions in France for affording immediate relief to the poor, and recommending them to provide at once for the proper distribution of such sums as are allowed to the communes placed under their jurisdiction. A decree in the *Moniteur* authorizes the Bakers' Bank of Paris, which commenced its operations on the 16th, to contract a loan of the amount of twenty-four millions of francs.

**THE BANK OF FRANCE.**—The most important feature in the financial advices from Europe is the advance in the rate of interest by the Bank of France, from 4 to 5 per cent. This step had not been anticipated at Paris, although the bank had £3,000,000 less in coin, than in October last. In English circles it was well known, however, that under such circumstances, and on the approach of a general war, the change would take place. Upon this subject, the *Morning Chronicle* of the 21st ultimo says:

The Bank of France, it appears, has raised its minimum rate of discount from 4 to 5 per cent., and the current rates of interest are now, therefore, the same in both England and France. The measure which the Bank of France has adopted, is one which was to be expected. Money has for some time past been gradually becoming scarcer and dearer. The government, the bank and the people are all alike in want of money, and the present extremely threatening aspect of affairs, with reference to the Eastern question, tends to accelerate the demand and increase the want now experienced. The operators on the Paris Bourse begin to view the prospect of war as certain; they do not take stock quite so freely as they have lately been wont to do, and although the French public have not yet exhibited any very eager desire to realize, there is no knowing how soon a panic feeling may prevail. The price of gold has an upward tendency at Paris; and we must expect a renewal of the recent active drain upon this country for the precious metal. The exports of gold to France have been more active during the last few weeks than for some time past, and they will now be more active than before. With regard to the probable state of our own market, in the event of war with Russia, some difference of opinion prevails. At present, there is no doubt that we are in a most prosperous and highly advantageous position to receive a communication from St. Petersburg of the kind intended. Money is abundant in all directions, trade is healthy, and mercantile credit sound. Whilst these circumstances must necessarily tend to check the depressing influence which an European war must have upon trade, commerce, industry and money, it is but too apparent that the commencement of hostilities, the end of which no one can foresee would undoubtedly cause some derangement. The natural effect of war has hitherto been to stop trade, make money dear, cause the funds and all other securities to fall in value, and produce a rise in the prices of every article of consumption. Although there may, from the present unusually prosperous and healthy state of general affairs, be some modifications in the effects which war will produce, it cannot be doubted but that the result will sooner or later be generally injurious, and money must, in time, become dearer. By the close of the present or the commencement of the next month,

money will, from the heavy pressure of bills which will then come upon the market, be more sought after, and its value increase. What its after course will be will depend, in a great measure, upon the drain of gold upon this country, and our supplies from Australia and California.

The increase in the rate of discount by the Bank of France has accelerated a renewed return of the exchange against England, the demand for money inducing bankers to realize a considerable portion of the bills on London usually held in their portfolios.

Letters from Brussels state that an immediate advance in the rate of discount is expected to be announced by the National Bank of Belgium. Up to the present time it has been as low as 2 per cent., while the ordinary terms of discount, with private establishments, have been  $1\frac{1}{2}$  per cent.

**SILVER IN LONDON.**—Letters received in London from Naples mention the suspension of the mercantile firm of G. & G. Buono, Jun. Their liabilities are estimated at £40,000 sterling. Several small failures in London have resulted from that in Naples.

Hamburg commercial letters state the rate of discount at  $3\frac{1}{2}$  per cent., but with more firmness in the market. The returns from the Bank of France, for the past month, show considerable reduction in the stock of bullion, the diminution being £850,000 during the month, making a total reduction of £7,400,000 since August last. The amount held was then £19,200,000, whereas now it is less than twelve millions sterling.

The London *Times* of the 30th of January says:

The dollars brought by the last West India steamer were disposed of at  $57\frac{1}{2}$  d. per ounce, being a decline upon the prices lately realized. They were taken chiefly from continental markets, the demand for China having considerable diminished.

Persons are attempting to dispose of spurious gold dust by offering it to money changers in London. It consists of small pieces of some hard kind of earth electrotyped, so as not to be discoverable by chemical tests. A parcel was brought to-day to Messrs Spielmann, in Lombard-street, which was completely undistinguishable from genuine gold dust, except by its friability and want of weight.

## MISCELLANEOUS.

**INSURANCE, FIRE AND MARINE.**—Since the recent disasters, insurers, laboring under a temporary panic, have been considering the propriety of advancing the rates for premiums, and we believe that nearly all the marine companies have decided to advance the rates from six to eight per cent. Our insurance companies have for a series of years been realizing enormous profits, some of them dividing from thirty to forty per cent. of profits per annum, and the late unprecedented series of disasters we do not conceive to warrant the additional tax upon the merchants and ship owners, who, as well as the underwriters, have been heavy losers by the late calamities. The Sun and Astor Companies have, we believe, not yet decided to concur in the advance. The matter is certainly one which should be managed with great delicacy. The rates of insurance in New York are already enormously high, and should not be added to thoughtlessly, under the influence of a panic. The managers of our companies certainly deserve great credit for the readiness with which they have met the large demands upon them.

**PUBLIC WORKS OF PENNSYLVANIA** — Propositions have been submitted to the people of Pennsylvania, and to their legislature, urging the sale of the public works of that State, on the ground that such works can be more profitably managed by individuals than by State authorities.

In the legislature of Ohio, a similar proposition has been introduced, and the matter was referred to the Committee on Public Works and Public Lands. Mr. Taylor, a member, was prepared to discuss the measure, and took occasion to say, that instead of internal improvements, they might be denominated *infernal* improvements.

We are indebted to the Philadelphia *North American* for the following recapitulation of a statement prepared by the Auditor General and State Treasurer, of the total cost, revenue and expenditures of the public works to the close of the last fiscal year, Nov. 30, 1853. As the question of the sale of these works is now before the people, the facts will have a peculiar interest:

RECAPITULATION.			
<i>Lines.</i>	<i>Cost.</i>	<i>Revenues.</i>	<i>Expenditures.</i>
Columbia and Phila. Rail-Road,	\$5,277,278 44	\$9,020,273 39	\$5,860,291 11
Eastern Division Canal,.....	1,737,285 22	2,932,571 14	862,933 08
Juninta " " .....	3,575,966 29	1,496,429 79	1,950,687 92
Allegheny Port. Rail-Road,....	2,708,672 12	3,520,407 84	4,014,788 86
Western Division Canal,.....	3,173,432 18	2,812,312 32	1,340,535 07
<i>Main Line.</i>	16,472,684 25	19,781,999 48	14,029,241 04
Delaware Division Canal,.....	1,454,936 63	2,746,650 25	1,223,301 06
Susquehanna " .....	897,160 52	475,254 57	605,990 18
North Branch " .....	1,598,379 35	1,374,258 87	799,775 24
West Branch " .....	1,832,583 28	573,338 29	815,318 57
<i>Lines in Operation.</i>	22,255,694 03	24,951,501 46	17,473,626 09
French Creek Division of Canal,.	817,779 74	5,819 67	143,911 94
Beaver " " " .....	519,864 92	38,312 29	210,330 00
<i>Finished Lines.</i>	23,592,838 69	24,995,633 42	17,827,853 03
Unfinished improvements,.....	8,093,044 05	....	....
Board of Canal Commissioners,.	78,962 39	....	78,962 39
Board of Appraisers,.....	17,584 93	....	....
Collectors, Weigh Masters and	....	....	....
Lock Keepers,.....	....	....	1,540,793 18
Exploratory Surveyors,.....	157,837 11	....	....
	32,542,267 77	24,995,633 42	19,447,653 58
Amount received at the State Treasury from sales of public property belonging to the public improvements, together with amount received from canal fines, not embraced in the foregoing tables of revenue,...	....	346,387 05	....
In the several accounts for State printing, from July 1, 1844, to July 1, 1853, the portion chargeable to the public improvements, amounts to.....	....	....	33,803 45
Amount paid for the use of patent rights,.....	....	....	6,400 00
Amount paid for engraving plates and printing bonds, advertising loans, counsel fees at various periods, and other expenditures incident to the public improvements, may be stated at.....	....	....	12,000 00
Total,.....	\$32,542,267 77	\$25,342,020 47	\$19,499,857 03

If it be desired to connect with those expenditures the amount paid for interest on the loans pertaining, directly or indirectly, to the public improvements, the aggregate amount of the said interest, to the close of the fiscal year, 1853, may be stated at \$35,137,796 13.



*Guaranteed Interest.*

Danville and Pottsville Rail-Road Company,.....	\$221,076 53
Bald Eagle and Spring Creek Navigation Company,.....	157,532 47
Tioga Navigation Company, (now Rail-Road Company,).....	61,647 16
Codorus Navigation Company, (guaranteed loan,).....	6,000 00
	<hr/>
	\$446,256 15

The length of the Columbia and Philadelphia Railway, when built, was 82 miles; the Eastern Division of the Canal, 45 miles; the Juniata Division, 128 miles; the Allegheny Portage Railway, 36 miles; the Western Division, 103 miles; the Delaware Division, 60 miles; the Susquehanna Division, 41 miles; the North Branch Division, 73 miles; the West Branch Division, 76 miles; the French Creek Division, 49 miles; and the Beaver Division, 30 miles.

The unfinished improvements cost as follows:

North Branch extension of Canal,.....	\$4,037,442 45
West Branch " " .....	353,574 78
*Erie " " .....	3,196,148 70
†Wisconisco feeder,.....	393,440 71
Allegheny feeder,.....	31,591 56
Gettysburgh extension of rail-road,.....	682,846 45
	<hr/>
	\$8,695,044 65

DEBT OF ST. LOUIS.—Messrs. Duncan, Sherman & Co. offered recently for sale \$250,000 St. Louis City Bonds, and \$250,000 St. Louis County Bonds, all bearing 6 per cent. The rail-roads in that region are now in course of construction, and promise to yield well.

The present debt of the City of St. Louis in bonds sold, exclusive of rail-road bonds, is..... \$1,960,206  
The debt of the county of St. Louis in bonds, exclusive of rail-road bonds, is 707,000

Total,.....	\$2,667,206
Debt of the city in bonds delivered to rail-road companies,.....	1,075,000
Debt of the county in do.....	400,000

In addition to the above, the city has authorized to be issued:

Bonds for rail-road subscriptions,.....	525,000
Conditional additional subscriptions to the North Missouri and Iron Mountain Rail-Road,.....	400,000
Bonds for city purposes,.....	672,000

Total,.... \$1,597,000  
County bonds authorized to be issued, but not yet delivered, to rail-roads, 1,300,000

City and county bonds to be issued,..... \$2,897,000

Of the city and county bonds to be issued, about \$500,000 are yet unsold. After making the necessary change of this amount in the above calculation, the result is as follows:

City and county bonds sold,.....	\$3,642,296
" authorized, but not sold,.....	3,397,000
	<hr/>
Total,.....	\$7,030,296

\*Transferred to Erie Canal Company.

† Transferred to Wisconisco Canal Company.

**COUNTY BONDS.**—The subject of county bonds for subscriptions to rail-road companies, has again been brought before the courts of Kentucky. At the late term of the Circuit Court of Warren County, Kentucky, an application was made to the presiding judge, (Graham,) agreeably to previous notice, praying an injunction to restrain the collection of the tax voted by that county for rail-road purposes. After able argument on both sides, his honor refused the injunction.

**TEXAS.**—Texas evinces a strong desire to avail herself of the remaining five millions of dollars of U. S. six per cent. bonds. The State has an overflowing treasury, but the public debt has not been materially reduced. In the legislature, Senator Durst introduced the following joint resolution:

*Whereas, it is extremely desirable, both as an act of justice to the creditors of Texas, and expedient on the part of the State, that the reserved five millions in the treasury of the United States should be in some manner appropriated to the payment and discharge of the liabilities of Texas: Therefore, by the Legislature of the State of Texas,*

*Be it resolved, That our Senators and Representatives in the Congress of the United States be requested and authorized to make any arrangement with the Government of the United States and the creditors of Texas, touching the said five millions, which they may deem consistent with the honor and interest of the State.*

In December, Senator Allen introduced a bill to incorporate the Texas Steamship Company. The most important section in the bill is the third. It provides, that the Comptroller or Board of Commissioners shall pay over to the company, out of the money set apart to be loaned, the sum of \$300,000 after they shall have built three first class steamships, worth from \$125,000 to \$150,000 each. The sum of \$100,000 to be paid upon the completion of each one of the steamships, and delivery of the same in the port of Galveston, company to give bond, with mortgage on ship for the re-payment of money, interest at 8 per cent. per annum, to be paid semi-annually; in case of failure to comply, the steamships to be sold on sixty days' notice.

Senator Potter introduced a bill providing for the liquidation and payment of the claim of Frederick Dawson. The claimant proposes to invest the whole amount of his claim in Texas rail-road stock, by subscribing for the same at the office of the Comptroller, and authorizing that officer to pay the amount to the company whose stock he may have taken; and also binds himself to subscribe an equal amount of his own funds for similar purposes.

**THE SIXPENNY SAVINGS BANK.**—We continue to hear the most gratifying reports of the practical workings of the Sixpenny Savings Bank,—gratifying particularly as regards the moral influence, and the beneficial effects of the system upon the class of depositors for which the institution was specially organized. We give the following schedule of the business done at the Bank for ten different days, to show our readers that all the deposits are not mere sixpences.

Sept. 19,	95 depositors of	6 cents to	\$50,.....	\$861 96
" 24, 134	" 12 "	" 50,.....	447 64	
Oct. 10, 76	" 12 "	" 100,.....	447 64	
" 17, 98	" 12 "	" 50,.....	322 18	
" 24, 35	" 11 "	" 50,.....	80 37	
" 29, 75	" 6 "	" 280,.....	762 93	
" 31, 82	" 7 "	" 385,.....	1,292 71	
Nov. 3, 82	" 6 "	" 420,.....	1,189 30	
" 5, 106	" 6 "	" 1,400,.....	2,197 04	
" 8, 54	" 6 "	" 200,.....	414 06	

The largest number of depositors are under 14 years, judging from appearances, and some as young as five, by their parents or friends as trustees. The amount of deposits of individuals range from five cents to fourteen hundred dollars.

They do business at the Sixpenny Savings Bank on a much better plan than that in vogue at most other institutions of the same character. There is no waiting one and two hours at a time at its desks. Time is money, and the "Sixpenny" takes good care not to rob its customers in this way. Days of deposit, Mondays, Thursdays, Saturdays, from 5 to eight o'clock in the evening.

## BANK ITEMS.

**NEW YORK.**—Robert H. Lowry, Esq., who has been for more than twenty years connected with the Union Bank of Maryland, as Receiving Teller, and in other departments, has been elected Cashier of the Bank of the Republic, in place of J. T. Soutter, Esq., who has been chosen President of the Bank.

**New York.**—Joseph W. Corlies, Esq., has been elected President of the St. Nicholas Bank, in place of Edward J. Mallet, Esq., who declined a re-election, and who has been elected Vice-President. The Bank has removed to its new quarters, in a spacious building erected by it, at the corner of Wall and New streets.

**Albany.**—J. H. Van Antwerp, Esq., Corresponding Clerk of the New York State Bank, has been appointed Assistant Cashier of that institution.

**Albany.**—Andrew White, Esq., for some years an able and efficient director of the Commercial Bank of Albany, has been elected Cashier of the institution, in place of the late James Taylor, Esq.

**MASSACHUSETTS.**—Samuel Frothingham, Esq., who resigned the presidency of the State Bank, Boston, two or three years since, has recently been elected to that office, in place of George Howe, Esq., who declined a re-election.

**New Banks.**—Bills have passed the House of Representatives in Massachusetts, to establish the following new Banks:

Grafton Bank; Monson Bank; Monument Bank; City Bank of Worcester; Pemberton Bank; Manufacturers' Bank in Blackstone, (amended, changing the name to that of the Blackstone River Bank;) South Reading Bank; Miller's River Bank; Northboro' Bank; City Bank of Lynn; Holliston Bank; Merchants' Bank in Lowell; Bass River Bank; Conway Bank; Maverick Bank; Provincetown Bank; North Bridgewater Bank.

Also to increase the capital stock of the Leicester Bank; John Hancock Bank; Freeman's Bank; Taunton Bank; Housatonic Bank; Appleton Bank; Metacomet Bank; Mechanics' Bank in New Bedford; Howard Banking Co.; Mechanics' Bank in Boston; Boylston Bank; Broadway Bank; National Bank; Washington Bank; Blackstone Bank; Eliot Bank; Shawmut Bank; Columbian Bank; Quinsigamond Bank; Bristol County Bank; Machinists' Bank; Blue Hill Bank; Lancaster Bank; Grocers' Bank; Village Bank; Central Bank; Neponset Bank; Wamesit Bank; Bunker Hill Bank; Pittsfield Bank; Rollstone Bank; Waltham Bank; Southbridge Bank; the Fitchburg Bank; and the Mahaiwe Bank, at Great Barrington.

**Hopkinton.**—The Hopkinton Bank has been organized by the appointment of Lee Clafin, Esq., as President, and Joseph Whitman, Esq., as Cashier.

**MAINE.**—Edward G. Hoag, Esq., has been elected Cashier of the Ticonic Bank, Waterville, in place of Sumner Percival, Esq.

**New Banks.**—The legislature at its present session has passed acts for the incorporation of the following new Banks:—I. The Mousam River Bank. II. The Ocean Bank. III. The State Bank, Augusta.

**Bank Capital.**—The legislature has authorized an increase of capital for the following:—I. The Maritime Bank, Bangor. II. The Calais Bank.

**RHODE ISLAND.**—A charter has been proposed for the Elmwood Bank, at Cranston. Applications of this kind, when favorably received, lie over till the following session of the legislature, so that if any serious objection exists, it may be urged before the charter is granted.

**New Charters.**—The legislature, at its recent session, granted a charter for the Island Bank in New-Shoreham, and passed an act declaring void "an act to incorporate the Bank of New England in East Greenwich."

**CONNECTICUT.**—The affairs of the bankrupt Eastern Bank of Killingly are, we learn from the Killingly Telegraph, in a fair way for settlement. At the last term of the

Windham Superior Court, the report of the Receivers was confirmed by the consent of the parties interested, and the case was continued until the April term. Those claims which were proved by the Receivers, being hardly a moiety of the whole, will probably be paid in full; the claims of Messrs. Wm. E. Chittenden & Abernethy to 1,735 shares of stock are disallowed.

*Hartford.*—The Mercantile Bank has commenced operations under the general banking law of Connecticut, with a capital of \$200,000. Samuel Woodruff, Esq., President; James B. Powell, Esq., Cashier.

*Bridgeport.*—The Bridgeport City Bank will commence operations early in April. A. P. Houston, Esq., President; G. H. Fairchild, Esq., Cashier.

*Winsted.*—It is stated that a new Bank, to which a capital of \$150,000 is already subscribed, and so organized that its capital can be increased to \$1,000,000, is about to go into operation in Winsted. The name of the new institution is not yet announced. The present bank at Winsted has, since its announcement, paid to its stockholders semi-annual dividends of four per cent., and its stock now easily commands a premium of 30 per cent.

*VIRGINIA.*—The Report of a Special Committee of the Virginia Legislature, made in reference to the operations and condition and reported malpractices of the Bank of the Old Dominion, having been made to that body, in January last, a long debate ensued, and was followed by a resolution proposed by Hon. Mr. Ellyson, in the House of Delegates, for an indefinite postponement. This was adopted on the 21th February by a vote of 79 to 52.

Several new Banks have been established under the Virginia free-banking law—among these is the Monticello Bank at Charlottesville, with a capital of \$150,000, and \$226,000 Virginia State Bonds as collaterals for circulation. Sales of the stock of this Bank were made a few days since at 112.50. Under the new law of that State, the stockholders are individually liable for the debts of the Bank.

*SOUTH CAROLINA.*—J. Clarence Cochran, Esq., was, on the 23d of March, elected Cashier of the Southwestern Rail-Road Bank, Charleston, in place of James G. Holmes, Esq., resigned.

*Charleston.*—At the meeting of the stockholders of the People's Bank, at Charleston, the following resolution was adopted:

*Resolved,* That the Board of Directors be instructed to advertise that they are ready from this day forward to receive payment of the whole remaining unpaid capital until the first day of November next, and that interest at the rate of six per cent. per annum shall be charged on all amounts not paid on or after the 20th inst.

It is stated that the meeting was a harmonious one, all differences as to the mode of calling in the capital being reconciled, and that the Bank will soon go into operation.

*MISSOURI.*—*Bank of the State of Missouri.*—The charter of this institution expires by its limitation on the second of February, 1857, and as but two general elections take place in the State prior to that time, it would seem to be proper and not untimely, that the public mind (through the press and otherwise) should be called to consider of the general subject of banking and circulation.

*LOUISIANA.*—The Mechanics and Traders' Bank of New Orleans have just completed the payment of their final dividend of 23 per cent. on the old stock, amounting to about \$350,000. The prompt manner in which the Commissioners have wound up the old assets is not less deserving of credit than the faithful management of the Bank, which enabled them to close with so large a profit, and to retrieve previous years of disaster. And it must be gratifying to the stockholders of the new institution to know that their interests are confided to the same prudent and able hands, under which the old Bank prospered, and under which she enjoyed so large a share of the confidence of the community.

OHIO.—The Clinton Bank of Columbus, Ohio, has relinquished business, the charter having expired on the 1st January last. The tax laws of Ohio are so burdensome upon the bank stockholders, that the bank capital of the State is gradually diminishing. The President and Cashier of the Clinton Bank and a number of the former stockholders, have formed a private banking firm under the title of the Clinton Bank, of which D. W. Deshler remains Cashier.

INDIANA.—F. E. Foster, Esq., was, on the 2d March, elected President of the State Bank of Indiana, at Laurenceburgh, in place of E. G. Burkham, Esq., resigned.

WABASH.—The Upper Wabash Bank has commenced operations at the town of Wabash, with a capital of \$50,000. President, T. W. Tallmadge, Esq.; Cashier, H. V. Weakley, Esq., recently Teller of the Hocking Valley Bank, Lancaster, Ohio.

WISCONSIN.—The Bank Commissioner of Wisconsin states, that on the 1st of January, 1854, the amount of banking capital was \$600,000. Since that time the following banks have commenced operations: City Bank of Oshkosh, capital \$50,000; Racine County Bank, capital \$100,000; City Bank of Racine, capital \$50,000; Bell's Exchange Bank, Milwaukee, capital \$50,000; Bank of the West, Madison, capital \$100,000; Bank of Fond du Lac, capital \$25,000; Increased capital of Jefferson Co. Bank, capital \$25,000; total, March 22d, \$1,000,000.

In addition, the following banks have filed their applications, and will soon be in operation:—Bank of Commerce, Milwaukee, capital, \$100,000; Fox River Bank, Green Bay, capital, \$25,000; Columbia Co. Bank, Portage City, capital, \$25,000; Mercantile Bank, Beaver Dam, capital, \$50,000; Bank of Neenah, Neenah, capital, \$25,000; Dane Co. Bank, Madison, capital, \$50,000. The amount of annual tax now paid by banks of the State, is \$15,000.

KENTUCKY.—The House of Representatives of Kentucky have passed a bill incorporating the Planters and Manufacturers' Bank by a vote of 51 to 36. The mother bank is to be at Louisville, and the branches at Elizabethtown, Glasgow, Cynthiaana, Hawesville, Eddyville, Catlettsburgh, Winchester, Shelbyville, and Barboursville. The capital is to be \$2,600,000.

The bills have been vetoed by Governor Powell, a portion of whose message may be found in our next No.

ALBANY, NEW-YORK.—At a meeting of the Directors of the Commercial Bank of Albany, held at their Banking House, the following preamble and resolutions were adopted:

Whereas this board has heard, with deep regret, the death of James Taylor, who for more than eighteen years past has held the important position of Cashier of this Bank, with signal ability and untiring zeal; therefore,

*Resolved*, That, by this afflicting dispensation of Providence, this institution has been deprived of a valuable and efficient officer, the community of a stainless and exemplary citizen, and his family of a justly beloved father and protector; and that while we mourn for ourselves and this Institution, we tender to the family of the deceased our warmest sympathy in this their day of trial, and, as a further mark of respect, will attend his funeral in a body.

*Resolved*, That a copy of the preceding resolution, attested by the President of this Bank, be furnished to the family of the deceased, and published in the city papers.

JOHN TOWNSEND, President.

ALBANY, March 16, 1854.

A MANUAL FOR THE USE OF NOTARIES PUBLIC. [*One vol. octavo. Price one dollar.*] The author of this valuable work is a learned member of the Boston Bar. He has evidently brought his accustomed diligence and acuteness to its preparation. It embodies the general rules and principles of law, with regard to Bills and Notes, together with forms of Protest and of Notice, and the statute laws of the several States bearing upon those instruments. The volume is designed especially as a Manual for Notaries Public and Bank Officers, but may doubtless be referred to with advantage by men of business in general, dealing in negotiable mercantile paper.—*New York Tribune*.

Copies of this *Manual for Bank Officers and Notaries Public* will be mailed to order, by the publisher of the Bankers' Magazine.

## Notes on the Money Market.

NEW YORK, MARCH, 24, 1854.

*Exchange on London, sixty days' sight,  $8\frac{1}{4}$  @  $8\frac{1}{4}$  premium.*

THE money market at this time presents less favorable features than were shown in our last monthly report. The causes are both domestic and foreign. At home there is an urgent demand for capital for various purposes, including rail-road enterprises, manufacturing companies, State improvements and for largely extended individual operations. Production, agricultural, commercial, mechanical, and in every department of human labor has, in this country, had a vast impulse given to it within the past few years. The States of Virginia, North Carolina, Georgia, Ohio, Indiana, and other States south and west, have undertaken, either as States or among their citizens, extensive internal improvements. Their rail-roads require the outlay of large capital in every case. New York is looked to as the centre of commerce, and the market is at all times pressed with loans for the use of the companies carrying on these works.

These high rate for money are consequently fully maintained. Little is done, on prime securities, under seven per cent. in Wall street. The banks are discounting liberally, but outside the rates for first class business paper, range from 8 a 10 per cent. The principal stock movements of the past month have been as follows:—

1. North Carolina State six per cent. loan of \$500,000. These bonds will bear date the first of January, 1854, payable in thirty years, with coupons attached, and the interest payable on the first days of January and July of each year, at the Bank of the Republic, in the city of New York, unless when the purchaser may prefer to have them payable at the Treasury of North Carolina. They are issued under the authority of the Legislature of North Carolina, for the construction of the North Carolina Rail-Road; and in addition to the faith of the State, all the stocks held by the State in said road and the dividends from said stocks, are expressly pledged for their redemption. The bonds are by express enactment exempted from taxation.

The following were the accepted bids:—

Carpenter, Vermilye & Co., . . . . .	\$30,000	Alex. Cunningham, . . . . .	\$5,000
Cammann & Co., . . . . .	125,000	John C. Barnhardt, . . . . .	2,000
A. M. Burton, . . . . .	5,000	John B. Oliver, . . . . .	10,000
J. V. Wilcox, . . . . .	10,000	I. G. Lash, . . . . .	25,000
T. Ruffin, . . . . .	8,000	A. E. Kron, . . . . .	1,000
J. Beard, Comptroller, . . . . .	48,000	J. Thompson, . . . . .	235,000
W. A. Myat, . . . . .	1,000	Total, . . . . .	\$500,000

The whole amount of bids was \$2,500,000, the larger portion from this city. Those successful were 104.5 to 105.52, averaging 104.25.

II. **ERIE RAIL-ROAD LOAN.**—It is understood that the New York and Erie Rail-Road have negotiated the remainder of their third mortgage bonds, amounting to \$2,700,000, through Messrs. De Launay, Iselin & Clark, and George Peabody & Co., of London. This will furnish a large sum in bills on London, where, it is said, the bonds will be forwarded.

The last annual report of the New York and Erie Rail-Road Company stated the following as their aggregate liabilities on 30th September, 1853:—

Capital Stock issued, . . . . .	\$10,000,091 08
Funded Debt, . . . . .	\$20,173,868 90
Floating Debt, . . . . .	2,085,026 49
	22,858,895 39
Transportation account, . . . . .	866,890 60
Interest on Mortgage Bonds, . . . . .	465 00
	\$33,225,343 16

The Erie Rail-Road Company have declared a dividend of  $3\frac{1}{4}$  per cent. for the current six months, payable on the first of April. We understand that the Company reserve a handsome surplus after paying the dividends.

III. The firm of Robert Garrett & Sons, of Baltimore, have purchased from the Baltimore and Ohio Rail-Road Company the balance of the bonds of 1853 remaining unsold, \$500,000, at the rate of \$7—the whole to be paid on the 8th of April, 1854. This will materially aid the Company in prosecuting their work, while it shows the confidence our moneyed men have in the company.

There are other loans and stock movements before the public which claim the attention of capitalists, viz :—

I. Two millions dollars of Baltimore City six per cents will be awarded to the highest bidder on the 8th of April, being a portion of the aid granted by the city to the Baltimore and Ohio Rail-Road. The loan is equal to any other of the Baltimore city loans, and will constitute part of the common stock of the city, though issued in behalf of the Baltimore and Ohio Rail-Road. The Company, it is known, applied for an endorsement of its bonds, but the city corporation preferred an actual issue of its own stock, and a loan of money on mortgage to the rail-road, providing for the payment of interest, and with a sinking fund for the redemption of the principal. There has, then, certainly, been no better security upon the market lately, our present city stock having all along been bringing a handsome premium, and even with this opportunity for new investment offering, still commanding  $2\frac{1}{2}$  a 3 premium.

II. The Atlantic and Pacific Rail-Road Company, No. 229 Broadway, give notice that a call of one-half of one per cent. is made on the capital stock of the Company. The Company will now act under the recent law of Texas, which requires a deposit of \$300,000 as a guarantee of the construction of the road for a distance of fifty miles.

III. The Reading Rail-Road Company have concluded to issue 20,000 shares of new stock in order to liquidate the floating debt, preferring this mode of raising the money to that of issuing an additional amount of bonds.

IV. The Illinois Central Rail-Road have given notice that a book is now open at its office in this city, to give persons holding rights to subscribe to the capital stock of this Company, to perform that business in person or by attorney, and to pay the instalment of five dollars per share, with the interest thereon. The book will remain open until the 1st of January, 1855, when all those interested failing to subscribe will forfeit their right to do so.

## DEATHS.

At Columbia, S. C., on Sunday, March 19, KERR BOYCE, Esq., aged 67 years, formerly and for many years President of the Bank of Charleston.

He was called to its presidency upon the retirement of General Hamilton; and to the management of its affairs, which he conducted with great ability and success, he devoted himself for six or seven years.

At Mystic Bridge, Conn., on Saturday, March 4th, GEORGE D. NOYES, Esq., aged 35 years, Cashier of the Mystic Bank.

At Baltimore, Md., on Sunday, March 5th, aged 67 years, JACOB ALBERT, Esq., formerly and for many years President of the Commercial and Farmers' Bank of Baltimore.

At Albany, N. Y., on Wednesday, March 15th, JAMES TAYLOR, Esq., Cashier of the Commercial Bank of Albany.

Mr. Taylor was a native of Montrose, in Scotland. When but a youth, he left his home and went to the East Indies, where he was for many years an employee of the East India Company.

About the year 1810 he came to New York for the purpose of engaging in business as a member of a House in the East Indies. But the Embargo interrupted commerce between England and America, and frustrated his purpose. He then became a Clerk in the Manhattan Bank, but was subsequently transferred to the Bank of America, where, as Teller and Cashier, he enjoyed, for nineteen years, an enviable reputation for capacity and ability. His health then failing, he resigned and went to Europe, from whence he returned greatly improved.

When, in 1835, on account of the defalcation of its Cashier, the Commercial Bank was looking for an officer of capacity, integrity and character, Mr. Taylor was warmly urged as the man. He received the appointment, and has in all respects—and to the very letter—justified the high character given of him, and realized the anticipations of the officers and stockholders of the Institution, to which he devoted all his talents, experience and time.

Mr. Taylor was both a banker and scholar. Few men studied finance and political economy more thoroughly, and none among us wrote more forcibly upon both questions.

THE  
BANKERS' MAGAZINE,  
AND  
Statistical Register.

---

VOL. III. NEW SERIES.

MAY, 1854.

No. XI.

---

THE USURY LAWS.

THE subject of the abrogation of the usury laws has again been brought before the legislatures of various States. There is a marked apathy, however, upon this subject, among the law-makers; while there remains, also, a strong disinclination among many to disturb the old settled notions of the people, in reference to long-existing restrictions upon the use of capital. In large commercial cities, where the active use of capital is less restricted than in smaller circles, men generally come to the conclusion that the economy of capital, and the advantages arising from its use, both to the borrower and the lender, are best consulted by leaving it free between the contracting parties.

Men cannot carry on business without the occasional borrowing of money for their transactions. If, by the agency of the law, certain capitalists in the community are excluded from the privilege of loaning their money, at such rates of interest as the circumstances of the borrower, and the obvious risks to the lender, would justify, the loss necessarily falls upon the borrower. He is driven, by the necessities of the case, to seek aid from those whose conscientious scruples are not so nice as to deter them from exacting an extra premium for undertaking an extra-hazardous risk. It is well known, that in every community there are capitalists who, from a strict regard to the laws, will not loan their



money at rates beyond such as are authorized by the statute. And when commercial affairs are unsettled, and the risks from lending are necessarily increased, such parties will leave their surplus funds on deposit, without interest, rather than jeopardize them by loaning on ordinary securities at ordinary rates. In a stringent market, such persons are inaccessible. When money is easy and abundant, they have plenty of it; but the moment a panic or little uneasiness arises, they have nothing to spare.

Now, the best thing we can do for the borrower, is to remove the restrictions which surround this conscientious lender, and enable him to lend his money, legally, at such rates as the circumstances of the case shall justify; and where an extra risk is incurred, to charge accordingly. The bulk of capital afloat would thereby become greater, and the *average* rates of loans would become less than they are at present.

After all, the business of loaning money is another kind of *insurance*. There are in it various classes of risks. There is risk A 1, and risk A 2; and thence, through the various grades, to the extra-hazardous risk, where five per cent is considered (between the contracting parties) fair; while, at the same moment, other risks are taken, and considered desirable, at one quarter or one half of one per cent. And this, too, we must, as under-writers, bear in mind, that in the long run, the lowest risks are considered the best, or the most profitable. We have taken insurance risks at three per cent a month, that were not, even at that enormous rate, considered advantageous; and which, eventually, are not profitable.

The amount of premium, or interest, which merchants are willing to pay for the temporary use of money, depends upon a variety of circumstances. When profits are prospectively high, as was the case in the California trade, three or four years ago, the borrower is willing and can afford to pay a high rate. When, on the other hand, capital is abundant in proportion to the calls for it, the competition among lenders is greater, and the rate lowers. This latter case occurred in Great Britain, in the years 1851-2, a period following the commercial revulsions of 1848-9. Capital became heavy, bankers would not take deposits at a better rate than one per cent, and the banking-houses were willing to lend, on adequate securities, at two per cent.

But even in Great Britain, where money rarely reaches a higher value, in commercial circles, than four or five per cent, legislators have become convinced of the inutility, and, in fact, of the decided disadvantages, of their former usury laws. Twenty years ago, the British parliament judiciously removed the restrictions that had, for years, existed upon negotiable bills. The tenor of the law was to except from the operation of the statute of usury, all bills of exchange and promissory notes, not having more than three months to mature. And even this liberal provision was further enlarged, after a full discussion upon the subject, and a demonstration of the folly of old laws, by the Act of July, 1837, (1 VICTORIA, ch. 80,) whereby this relaxation was extended to all such mercantile paper that had not more than twelve months to mature at the time of negotiation.

If, in Great Britain, where profits are comparatively small, this abro-

gation was appropriate, how much more so is it in the United States, East and West, where profits are proverbially larger than in the old countries of Europe?

It has been reasonably urged by a contemporary, "as a sound principle of jurisprudence that, when the reason of a law ceases, the law should cease; and this rule ought to be absolute and imperative in those cases where a regulation is found not only to fail of the purpose for which it was designed, but to produce in operation the very evil it was intended to remedy. This is the category in which ample experience of its practical effects has discovered the statute against usury to be. It was meant to prevent individuals from exacting or receiving exorbitant premiums for the use of money. Governments, believing that the practice of taking usurious interest was immoral and demoralizing, and that some restriction of the right was required to protect men against the advantage which an unconscionable trader might take of their necessities, imposed a limitation on the rates chargeable for such loans. The intention of the act was eminently benevolent, and of just such specious character as would readily obtain favor with the philanthropic sympathies of a legislature, without exciting any particular misgiving respecting the wisdom of the measure or its possible fitness to do an infinite amount of undreamed-of mischief.

"But, like many other such well-meant but misguided attempts of the law-making power, to put arbitrary restraints upon the movements of trade, usury laws have proved, upon experiment, to be most pernicious in their influence and results. They have actually, in all large mercantile communities where they have operated, abetted and encouraged extortion, increased the tax upon the necessitous borrower, and added to the immorality of inequitable charges for a temporary accommodation the still more serious and corrupting crime of habitual violation of law. With the interest on money confined by statutory provision to six per centum per annum, as in Pennsylvania, many who are prevented by conscientious motives from demanding higher rates, will not lend money to those who are even willing to pay the market value for its use, and the consequence is that the business is confined to a few, who do not scruple to infringe the acts prescribing the terms on which loans shall be made. Thus the demand is constantly kept much greater than the supply, and lenders are enabled to command the most extravagant prices for the funds at their disposal. Were there no legislative interference in this matter—were parties dealing in money allowed to receive and pay whatever interest they are inclined to stipulate for—it is manifest that a large, instead of a comparatively very limited amount of capital would be always seeking this sort of investment; that the multitude of persons having means to lend would raise up a competition which would enable the borrower to obtain better conditions, and that the rates charged would be reduced to a standard fixed, in all cases and at all times, by the actual and fair value of every separate transaction. Under the present system there is no justice or equality to be enjoyed on one side, while the grossest oppression in the exaction of exorbitant interest may be practised with virtual impunity on the other. A law meant to interdict usury

practically induces and aggravates it. But its effect is not alone to grievously augment instead of diminishing the charge on pecuniary loans; though, were this the only bad result to be complained of, it should suffice as a reason for the repeal of the statute. It has, however, a consequence which, in the estimation of all wise and virtuous citizens, may be considered even more injurious and reprehensible than usury itself. The law effectually offers and pays a premium for its violation, inasmuch, when the rate of interest fixed by it is lower than that which is customary or prevalent in the market, parties borrowing and lending are compelled to incur additional trouble and risk in order to evade the act. This circumstance proportionately advances the cost of the loan, and to that extent a price is literally paid and received by individuals for deliberately defying and infringing the laws of the State. But this is not all. It is dangerous enough, certainly, to legislate in such a manner as to make disloyalty and contempt of the civil authority a means of gain. But, in the case of the statute against usury, loss is inflicted on all who exhibit a dutiful respect for, and submission to, the laws. They are entirely shut out from one important branch of trade; denied totally the advantages of one valuable use of capital, while their exclusion operates at once to aggravate the evil which the law under which they suffer was intended to prevent, and swells the profits of the few who unscrupulously violate the act."

There are other considerations, independently of those of a merely economical character, which should have weight in deciding the question as to the policy of the usury laws. One of these is the well-known fact, that a breach of law involves deception. The evasion of the law is accompanied with the conviction, (in New-York, at least,) that the breach of the law involves a loss of the whole sum contracted for; and a further penalty of fine and imprisonment, whenever any party chooses to make a complaint, and prosecute the lender.

A bill was introduced into the New-York Senate, in March last, by Mr. Spencer of New-York, which is a great improvement upon the present law. The principal part of the bill is contained in the first section, which is as follows:

"SEC. 1. No grant, transfer, bond, note, bill of exchange, contract, or agreement, or loan, or forbearance of any money, goods, or things in action, shall be void by reason of any paying or receiving, or agreement to pay or allow, such rate of interest as the parties may agree upon; provided the time to run of such grant, transfer, bond, note, bill of exchange, contract, agreement, or loan, or forbearance of any money, goods, or things in action, shall not exceed twelve months. And also provided, that nothing in this Act shall be so construed as to authorize any bank, or any other corporation, to make any loan, or grant any discount, at the rate of more than seven per cent per annum; nor shall it be lawful to take more than that rate of interest on loans upon mortgage of real estate. But such bank or corporation, or loan upon mortgage of real estate, shall be subject to the laws in force at and immediately before the passage of this Act."

Seven per cent is to be considered the rate of interest in all cases where the rate is not specified, and the old law is repealed by the bill. A similar movement was recently made in the Massachusetts Senate, but

the legislatures of those States will probably adjourn without doing any thing on the subject.

The Philadelphia Board of Trade has memorialized their legislature in favor of a repeal of the usury laws. The New-York Board of Trade has done the same. All classes of the community urge it,—the lender as well as the borrower; and public sentiment requires this modification of old and almost obsolete laws.

---

## LEGAL MISCELLANY.

### I. BEFORE THE SUPREME JUDICIAL COURT OF MASSACHUSETTS.

#### *Liabilities of Banks for Collection Paper.*

**WARREN BANK against SUFFOLK BANK.**—This was an action on the case, for negligence on the part of the Suffolk Bank, in not duly demanding of the maker, payment of a note left with them for collection by the plaintiffs. It is, and has been for many years, the usual course of business of banks in Boston, and of the defendants, and of the latter in their dealings with the plaintiffs, to place notes left with them for collection, at the close of banking hours on the day they became payable; if unpaid, in the hands of a notary-public for demand and protest. That course was pursued in the present case, and all the alleged negligence was on the part of the notary; and the defendants contended, that in so doing they had exercised reasonable care and diligence, and were not responsible for his neglect; and this position was, for the purposes of the trial, overruled.

The opinion of the court was delivered by Dewey, J. The question here presented is a very interesting one. The plaintiffs contend that all this machinery in the collection of notes is part of the concern of the bank; and that they [the defendants] are responsible for every part of it. But it is contended, on the other hand, that where it is necessary to create a sub-agent, all that is necessary previous to that having been done, and a proper agent retained, the liability ceases. That is the principle, and the difficulty is in determining when the period of the agency is reached. There are several cases in the books applicable to the question before us.

In *Mechanics' Bank against Merchants' Bank, Metcalf*, 13, the Court were disposed to say, that reasonable skill and ordinary diligence were sufficient. The case of *Dorchester and Milton Bank against the New-England Bank*, 1 Cush. 177, is much nearer the present. There the sub-agent was a bank, whilst he held an official character, and was one also who had been treated as a sub-agent.

We are of opinion that the collecting bank was not responsible beyond the selection of some suitable sub-agent. It is sufficient to select a suitable person, whether holding an official character or not, according to

the ordinary course of their own business, known and recognized by the other party. *Bellemire* against *Bank of the United States*, 4 Whar-ton, 105.

Verdict for the plaintiffs set aside, and a new trial ordered. H. F. Durant for the plaintiffs; C. T. Russell for the defendants.

BEFORE THE U. S. CIRCUIT COURT FOR THE DISTRICT OF MASSACHUSETTS.

*Confidential Communication.*

*IASIGI and GODDARD against BROWN, Bros., & Co., of New-York.*—An important decision in commercial law has recently been given in the United States Circuit Court of Massachusetts, in an action brought by Messrs. Iasigi & Goddard, of Boston, against James Brown, of New-York, the senior member of the well-known firm of Brown, Bros. & Co., bankers; in which the plaintiffs alleged that Mr. Brown had made certain false and fraudulent representations to them respecting the solvency of Messrs. Thompson & Co., and Orrin Thompson, of New-York, and two factories in Connecticut, known as the Thompsonville and Tariff Manufacturing Companies; by means of which the plaintiffs were induced to sell wool to a large amount (about \$25,000) to these parties, on credit, which sum the plaintiffs wholly lost, by reason of the subsequent failure of the Messrs. Thompson and the factories. The alleged false representations were contained in a letter addressed by Mr. Brown to Mr. T. B. Curtis, the agent and correspondent of the defendant's house in Boston, which the plaintiffs averred the defendant intended should be exhibited to them, for the purpose of inducing them to give a false credit to the said parties. The defendant contended that his letter was written in entire good faith, was addressed to his agent as a confidential letter, and that Mr. Curtis had no authority to exhibit, or the plaintiffs to read, it.

From the opinion of Judge Sprague, we learn that the following points were decided:

That the letter being marked "confidential," and the information it contained in regard to the Messrs. Thompson communicated to Mr. Curtis, the Messrs. Brown's agent, on a promise to "use it discreetly," he had no right to communicate it to others, or to use it in any manner that could render the writer responsible for the action which others predicated upon its contents. That the word "confidential" on the letter, was of itself sufficient intimation to the plaintiff, when it was shown to him by Mr. Curtis, of the character of the letter. That the ground can not be maintained that a party, conversing with another who has a copy of a letter in question, and knows what it is, cannot, from an omission to cite any particular of that letter, be held to an admission that the letter does not contain such particulars. That the fact that Mr. Curtis subsequently addressed another letter to Mr. Brown, renewing his inquiries as to the solvency of the Messrs. Thompson, and stating that the information was "for a friend," to which Mr. Brown replied, "We continue to have a favorable opinion of the concerns you allude to," did not remove from the first letter its confidential character; and finally, that the evidence introduced was not legally sufficient to maintain the action, and the jury must be instructed to return a verdict for the defendant.

## II. UNITED STATES CIRCUIT COURT FOR VIRGINIA.

*Remittances by Mail.*

A case has been recently decided in the United States Circuit Court at Richmond, before Chief Justice Taney and Judge Halyburton, which involves questions of interest to the commercial community and some others. The *Richmond Mail* gives the points of the case, as follows:

**SHELMAN & SON against DUN.**—The cause turned mainly upon the legal effect of letters written by the creditor to the debtor, urging the payment of a negotiable note, and asking the debtor to "remit the money," and "forward the amount of the note." Upon the alleged faith of these letters, the debtor deposited the money, in bank notes, *in the mail*, in a letter addressed to the creditor in Baltimore. The letter was lost, and never came to the hands of the creditor.

The debtor, R. D. Dun, of Essex county, Va., had executed his note to the plaintiffs, Selman & Son, of Baltimore, for about \$700, payable at the Farmers' Bank of Virginia. Before it fell due, Dun, the defendant, visited Baltimore, asked that his note might be ordered back from Richmond (whither it had been sent for collection) to Baltimore, and kept there, promising to pay it, in whole or in part, before leaving. He failing to do this, the plaintiffs wrote him urgently for payment. He replied, stating that he had been to Richmond at the time the note fell due, to pay it, but could not find it, and asking where it was. To this plaintiffs replied, "Your note is here; forward the amount, and we will send your note to you." The defendant also proved that the merchants in Essex were in the habit of remitting money to Baltimore by mail.

The plaintiffs' counsel relied on a decision of the Court of Appeals of Virginia, reported in 3 Grattan's Reports, in which it was held, in a very similar case, that no proof of such local custom could be given to affect the creditor; and that a letter directing the debtor "*to remit money*" did not authorize transmission by mail.

Chief Justice Taney, in the present case, disapproved of that decision, and instructed the jury that evidence might be given of such custom, and was proper, it being somewhat a question of commercial usage; that the jury might, if they pleased, infer authority to remit by mail, in this case; that if the creditor used language calculated to mislead the debtor, it was at his own risk; and that if the defendant, Dun, might reasonably have supposed from the circumstances that the plaintiffs intended to authorize transmission by mail, then the jury would be justified in finding for the defendant.

The jury returned a verdict for the defendant.

## III. SUPREME COURT OF PENNSYLVANIA.

*Collateral Stocks.*

The following important opinion of the Supreme Court of Pennsylvania was delivered by Chief Justice Black, in open court, at Harrisburg.

**BANK OF THE UNITED STATES against PEABODY.** Error to District Court of Philadelphia. Opinion: Black.—The agent of the Bank of the United States deposited with the Messrs. Denison & Co., of London,

certain American State stocks, amounting, on the whole, to the sum of \$4,450,000, to be held in trust as collateral security for the re-payment of eight hundred thousand pounds, which it was intended to raise upon the post-notes of the bank. The notes were issued, and this suit is brought on one of them.

It is not denied that the bank is *prima facie* responsible, by virtue of the note. It is not alleged that the plaintiff received any thing from Denison & Co., out of the collaterals, except what he has credited. But it is asserted by the bank, that the plaintiff is bound to look to the collaterals first, and to account for them to the defendant, before he can recover on the note.

When collaterals are placed in the hands of the creditor himself, and they are lost by his negligence, the debt is extinguished, (12 S. & R., 67.) When he converts them to his own use, as he is always presumed to have done, when he refuses without reason to furnish an account of them, he is chargeable with their full value, (9 Barr, 28.) But this does not touch the present case. The question here is whether the creditor is required to account, in an action on the main security, for collaterals which were never in his hands, nor under his dominion; which, therefore, could not have been lost by his default, and from which he never did in fact realize any thing. It is not possible to doubt that, under these circumstances, he may recover against the defendant, just as if the transaction with Denison & Co. had never been. Even where collateral securities are placed in the custody of the creditor, if he had been guilty of no negligence, has realized nothing from them, and has never withheld information concerning them, when requested to furnish it, he is entitled to judgment against the principal debtor. This was decided very lately, in *Lord* against *The Ocean Bank*, and in *Kittera's* estate. *A fortiori*, there may be such a recovery when they are placed by the debtor in the hands of the third person, who is a trustee appointed by himself.

The State stocks were given to Denison & Co., for the purpose of obtaining for the post-notes a credit, which otherwise they could not have got. But, though the holder of the notes may have trusted the bank, partly on the faith of the stocks, there is no stipulation which makes them the exclusive fund from which payment is to be made. The notes are a promise by the bank to pay a certain sum of money, at a certain time and place. The promise has been broken; a right of action has accrued, and it can not be defeated by an arrangement between the debtor and her London bankers, which resulted in no benefit to the creditor. Judgment affirmed.

#### IV. SUPREME COURT OF GEORGIA.

##### *Bank Notes—Demand of Payment—Limitations.*

WILLIAM DOUGHERTY, plaintiff in error, *against* THE WESTERN BANK OF GEORGIA.—

1. In an action on a bank note against the bank which issued it, payable generally on demand, it is not necessary to aver and prove a demand, the suit itself being a sufficient demand.
2. In case, however, of a bank note payable on demand at a particular place, *held*, that a demand at the place is necessary to a suit against the bank at the time

designated, or afterward, (if time is also specified,) and must be averred in the declaration, and proven on the trial; and that the place must be stated in the note with distinctness and precision.

3. *Held*, That the statute of limitations does not apply to bank bills in favor of the bank.

The opinion of the court, of which we print all that is important, was delivered by Nisbet, J.—Our next inquiry is this, is the rule thus declared, applicable to *bank bills*? We think that the rule of the *commercial law*, applicable to a private note, or to a bill of exchange payable generally on demand, is applicable to a *bank bill*, payable generally on demand, and that is, that averment and proof of demand are not necessary in order to charge the *bank which issues it*. The suit is the demand, and in such a case, the plaintiff is entitled to recover his costs and damages, although the bank has been at all times ready and able to pay. (6 Shep. 240.) By stipulating for no time and place for the redemption of her bills, she is liable to suit at any time. That is her contract with the holder of her bills. She may, however, stipulate that her notes shall be paid at a place certain, and in that event we are disposed to hold a different rule from that laid down in regard to private paper of like character. In that event, we hold that a demand at the place specified will be preliminary to a suit, and of course ought to be averred and proved. Instead of throwing upon the defendant the burden of pleading and proving readiness to pay at the place specified, and giving him upon such place and proof, the benefit of a discharge from costs and damages, as in case of notes and bills, we hold that a plaintiff must make demand, at the peril of having his suit dismissed, who seeks to recover upon such a bank note. A failure to make demand at the time (if time is also specified) will not discharge the bank, for the demand may be made afterward. We are disposed to give the bank the opportunity of redeeming her bills before she is liable to suit—to make the right of action to depend upon the demand by the holder, and the default of the bank in not paying at the time of the demand. And upon the suit after demand and refusal to pay, the plaintiff will be entitled to recover his costs and damages. This rule as to bank bills payable on demand, at a designated place, we adopt upon the ground of *public policy*, and it may be made to apply to all future issues of all the banks of the State, for there is nothing to prevent all the banks from making their bills payable at a particular place. The public are interested in this question, as well as stock-holders and bill-holders. Bank bills subserve the purposes of money in the ordinary dealings of the people. They constitute the circulating medium of the country; they constitute its currency. To preserve that, sound, is a paramount object of interest and duty to all departments of the government. Inasmuch as that is indefinitely diffused—consisting of a vast number of bills of different denominations, and in the hands of the people at divers, remote, and unascertainable points; it is unreasonable to hold the bank bound to go the holder, with a tender to redeem, or to hold it in default, if it does not make the tender. On the other hand, it is no unreasonable requirement to constrain the holder to present the bills at the place designated, before suit.



It is his interest not to demand redemption, so long as he feels that the notes are sound, because it is his interest to maintain them in circulation, and thereby preserve the credit of the bank. And why should he sue, when the object of the suit can be accomplished by a demand? To avoid demands, and thus maintain their issues in circulation, is the policy of the banks. This policy is best promoted by prompt payment when demands are made. It is therefore a reasonable presumption, that banks able to pay, will promptly pay upon demand. The credit of a bank is as delicate as the honor of a lady. Upon that credit is more or less dependent every interest of property, industry, and trade. It would not, therefore, be wise to subject it to be impaired by unnecessary suits, instigated, it may be, by the cupidity of private citizens, or the lust of rival institutions. Whilst we thus guard the interests of the banks, and through them the interest of the public at large, it is necessary to look also to the interest and convenience of individuals. The holder should be notified with *definiteness* and *precision*, of the place where he is to make demand. It is not enough to leave him to infer that he is to make demand at the counter of the bank. For, although its locality is fixed by law, and may be a matter of public notoriety, yet it may not in fact be known to him. He should be informed on the face of the bill, not in *general* terms, but by a *precise designation*. One of the bills in this case is payable at *Rome*; that is not sufficient. Like *Imperial Rome*, our *Georgia Rome* is said to sit upon seven hills; upon which of these a plain man, from some distant hamlet or farm-house, is expected to make demand, might be difficult for him to determine. And when he has made a demand, as best he may, it may become a question of legal contestation, whether he has made it in the right place. It should have been made payable at the *banking-house of the institution at Rome*, or at the house of *A. B. & Co., at Rome*, or at some place so clearly designated as to leave no doubt or uncertainty as to its identification. This bill is, therefore, a bill payable generally on demand, and so we rule. We hold, therefore, as to both the bills, that the court erred in excluding them, on the ground that no demand was averred or proven.

It was objected to the admissibility of these bank bills, in evidence farther, that upon their face they were barred by the statute of limitations. The court sustained this objection also. More than the statutory term had expired, commencing at the respective dates of the bills. Upon exception to this ruling, we are now to determine whether our statute of limitations applies to *bank* notes, in favor of the bank issuing them. We are confident that the bank is not protected by the lapse of the statutory term, commencing with the note, as the court below held, and that, as a general rule, the statute had no application to bank notes. The reason is, in the language of Lord Mansfield, in *Miller against Race*, "that these bills are not like notes of exchange, mere securities or documents for debts, nor are so esteemed, but are treated as money in the ordinary course and transactions of business, by the general consent of mankind," (1 Burr. 457.) Whilst bank notes occupy, for some purposes, the position of securities, yet in addition, they are considered, and ~~subserve~~

purpose of, *money*. Lord Hardwicke, in *Southcoat against Watson*, speaking of a note of the Bank of England, says, "It has been said that these ought to be considered only as a security for money, but I am of opinion they must be taken according to the common usage and notion of bank notes, which are always considered as cash, and made payable to bearer," (3 Atk. R. 232.) See also 11th Wend. R. 101. *Bullard against Bell*, (1 Mason's R. 252.) *Solomons against The Bank of England*, (13 East R. 135.) Note—Story on Prom. Notes, § 501. They are payable on demand by authority of the charter, (Prince, 131.) They are negotiable by delivery; they pass in a bequest of the testator's *money or cash*, (1 Scho. & Lefr., 318, 319; 11 Vesey, 662.) Possession is *prima facie* evidence of property in them, (Chitty on Bills, 523; 2 Campb. R. 5; 1 Campb. R. 551.) The holder is not affected by the fraud of a previous holder in obtaining them, unless he is in privity with him, (13 East R. 135.) They are *never over-due*, and not liable to any equities between the bank and parties who have subsequently received them, or between intermediate parties, (Story on Prom. Notes, § 501.) These qualities fit them for currency, and some of them distinguish them from the mere evidences of a debt. They are not *money* by authority of law, but are considered so by usage and the course of business, and by the consent of the people. They are issued for the purpose of being used as money by the banks, and the State is a party to the consent that they shall be so considered, because the power to issue is a grant from the legislature. Thus made money practically, it would destroy their monetary character to apply to them, in their character of securities for the payment of money, a limitation. If the bank is protected by a limitation, then is that protection an injury, for it would have the effect of preventing the circulation of a bill for a time longer than six years. Let that be understood to be the law, and, inevitably, almost every bill issued would be returned once in six years. A protracted circulation, which is an object so desirable to banks, would thus be impossible. How can a limitation law be applied to that, which, without much perversion of truth, may be said to be like Melchizedek, without beginning of days or end of life? It has no beginning upon its face, for its date is no evidence of the time it was issued; it may bear date to-day, and be issued to-morrow, or next year; or it may be issued to-day, and returned to-morrow, and reissued the next day; or it may not be issued at all, until barred by time, commencing to run from its date. If it could be barred at all, it would seem that the starting-point of the statute ought to be the time of its issue; and how shall the world so know *that*, as to exercise a necessary diligence in suing within time? Nor has it an end of life, because it is never over-due. If, as Judge Story says, it is never over-due, no matter when issued, or how often reissued, but is always an immature representation of a legal tender, when shall the statute commence to run? Shall it be said from the time of a demand, and a refusal to redeem? If so, then an insolvent bank, by which I mean, a bank which is unable to redeem its bills, is upon a better footing than one whose credit is good; that is to say, the former is protected by the statute, the latter is not. Whatever of virtue there may be in that idea, we shall

not now determine, as such determination is not made necessary by this case. We determine that a bank note is not barred by the lapse of the statutory term, commencing at its date, and that generally the statute of limitations has no application to bank notes. Let the judgment on all the points be reversed.—*American Law Register*.

V. BEFORE THE COURT OF APPEALS, OF THE STATE OF NEW-YORK,  
JULY TERM, 1853.

*Life Insurance.*

BREASTED and others *against* THE FARMERS' LOAN AND TRUST COMPANY.—This was an action by the administrators of Hiram Comfort, deceased, to recover the amount of a policy of insurance upon his life, made by defendants, which was in force at the time of his death.

The policy contained a provision, "that in case the said Hiram Comfort shall" [without previous consent, &c.,] "enter into any military or naval service, or in case he shall die by his own hand, or in consequence of a duel, or by the hands of justice, or in the known violation of any law of these States or of the United States," &c., "this policy shall be void." The defendants insisted that the assured died by his own hand, within the meaning of the policy.

The referees, before whom the cause was tried, reported, "that the said assured, on the 25th day of June, 1839, threw himself into the Hudson river, from the steamboat Erie, *while insane, for the purpose of drowning himself, not being mentally capable at the time of distinguishing between right and wrong.*" The supreme court, on this report, gave judgment for the plaintiffs, and the judgment was affirmed. (See 4 Hill, 73.)

*Subscriptions to Bank Stocks.*

BURROWS, Receiver, &c., of the Farmers' Bank of Orleans, *against* RANSON S. SMITH.—The same *against* RICHARD J. HERRICK.—The same *against* MOSES B. SWIFT.—The same *against* DAVID TOLFORD.—In these cases bills were filed by the receiver of the effects of the Farmers' Bank, of Orleans, an institution organized under the general banking law of 1838, to foreclose mortgages executed by the several defendants, to pay for stock of said institution subscribed for by them, or in case the mortgages should not be held valid, to collect the amount of their subscriptions for stock.

It appeared by the case, that the subscriptions of the defendants to the articles of association were obtained by persons who were named in the articles as commissioners, and who represented to the defendants that the bank, when it got into operation, would advance money to pay off certain incumbrances on their lands, and would then accept mortgages upon the lands in payment for stock. Subsequently, the defendants were called upon to execute mortgages, which they did, the same assurances being repeated.

After the making of the mortgages, the defendants with other sub-

scribers, executed a certificate in accordance with the 16th section of the general banking law, by which the defendants certified that they were severally stockholders to the amount of their respective mortgages. Between the time of executing these mortgages and the execution of the certificate, the articles of association subscribed by the defendants had been materially altered, and it did not distinctly appear that they knew of such alteration when they signed the certificate. They attended the next annual meeting of the stockholders, after the execution of the certificate, but it was not shown whether they voted or not.

After the bank commenced doing business, the defendants severally requested the officers to advance them money to remove the incumbrances on their lands, which the officers refused to do, assigning the inability of the bank as a reason. No credit was given by the bank to the defendants for their mortgages, and no certificates of stock were issued to them. In this condition things remained some three years, when the bank failed, and the plaintiff was appointed receiver, who, after unsuccessfully calling on the defendants to pay their mortgages, commenced these suits.

*Held*, that there had been no delivery or acceptance of the mortgages, and no recovery could be had upon them.

That the alteration of the articles, after their execution by the defendants, released the defendants from their original subscriptions.

That the execution of the certificate under the 16th section did not constitute them stockholders, and that they were not made liable, by the execution of that certificate, to pay for the stock therein certified to be held by them.

#### *Action for Money Paid Under a Mistake.*

**MARTIN against McCORMICK.**—The defendant purchased at a sale for taxes in the city of New-York, for the term of 100 years, the house and lot owned by the plaintiff, and afterward received from the corporation a lease for the term.

After the lease was obtained, both parties believing it to be valid, and to give to the defendant the actual term in the premises which it purported to give, the plaintiff purchased the lease of the defendant and paid him \$1800 for it.

Subsequently, the plaintiff ascertained that the lease was void, and this action was brought to recover back the money so paid.

*Held*, that the plaintiff was entitled to recover the amount paid by him for the lease, with interest, less the amount of taxes and charges paid by the defendant to the corporation. The lease to be re-assigned, and the defendant discharged from the covenants contained in his assignment to the plaintiff. (4 Sandf. Superior Court R., 366.)

#### *Payment of Debt to Partners—Usury.*

**AYRAULT and GREEN against ELMER.**—Where a person indebted on account to two partners, executes a mortgage to one of them, to be transferred to the other partner at a usurious rate of interest, to raise money to pay the debt, and it is so transferred, and the proceeds, to an amount

exceeding the amount of the debt, received by the firm and credited to the debtor in his account, the debt due the firm is thereby canceled. No recovery can be had on the account, although the mortgagor successfully defended a suit in equity to foreclose the mortgage by setting up and maintaining the defense of usury.

*Use of Partnership Name as Surety.*

BUTLER *against* STOCKING and others.—Action to recover the amount of two promissory notes, signed, "David Hunt," and "Stocking & Hunt, sureties." The notes were made for the benefit of David Hunt. Stocking and Alfred H. Hunt were partners, and the co-partnership name of Stocking & Hunt was added to the notes, as sureties for David, by Alfred H. Hunt. The sole question presented in the case was, whether Stocking was liable. It was proved that Alfred H. Hunt had signed the firm name as sureties to two other notes of David Hunt, and that the holder of the notes called on Mr. Stocking and informed him of the facts, and he said, "It is all right—whatever David wants, he can have; that they were not in the habit of lending their names to every one, but whatever David wanted he could have." He spoke of David's business as good, his credit as good, and that he could raise any amount he wanted.

After David Hunt failed, Mr. Stocking was asked what was the extent of his liabilities for David. He said he could not answer; that he had that confidence in David that he kept no particular account of his liabilities for him. This was all the evidence tending to charge Stocking. A motion for a non-suit was denied; the jury found for the plaintiff, and judgment was entered upon the verdict.

*Held*, that the judge decided correctly in refusing to non-suit the plaintiff; that there was some evidence of the assent of Stocking to the use of his name by Alfred H. Hunt, as surety for David, and whether it was sufficient to establish such consent, was properly submitted to the jury.

*Slander of a Mercantile Firm—Damages.*

TAYLOR, HALE, and MURDOCK *against* CHURCH.—Action for a libel. The plaintiffs were merchants, doing business at Columbus, Miss. The defendant was engaged in ascertaining the standing and credit of merchants residing and doing business in the Southern and South-western States, and communicating such information to certain merchants in New-York, who were doing business with the merchants in those States.

The libel complained of was a letter written by the defendant at Columbus, reflecting unfavorably upon the character and credit of the plaintiffs, and forwarded to a mercantile firm in New-York for the use of that firm and thirty-six others, for whom the defendant was collecting information. Some of the firms had business transactions with the plaintiffs, and others had not. After the return of the defendant to New-York, he caused his letters, including the one complained of, to be printed for distribution among his employers, and sold and distributed such letters privately to those employers, and to some other persons.

On the trial it was proved by Cassidy, called by the plaintiffs, that he printed the letters at the defendant's request. On his cross-examination, he was asked if the defendant requested him to do the printing in as private and confidential a way as he could, and if he promised to do so. This was objected to, and the objection sustained. The judge charged the jury, that if they were satisfied that the defendant was influenced by actual malice, they might give exemplary damages, but not otherwise. This was excepted to by the defendant. The plaintiffs obtained judgment.

The judgment was reversed and a new trial ordered by the court of appeals, on account of the exclusion of the facts offered to be proved by Cassidy, which were proper, as bearing upon the question of damages.

The court held that the letter in question, published as it was, could not be regarded as a privileged communication.

The point as to the allowance of exemplary damages was not passed upon.

#### *Transfer of Bank Shares.*

VAN DEUSEN and WIFE *against* LEVI and ROBERT R. ROWLEY—The defendants, at the instance of Mrs. Van Deusen, their sister, were cited to account, as administrators, before the surrogate of Columbia county. In taking the account the surrogate charged the administrators with the value of twenty shares of the stock of the Farmers' Bank of Hudson, as assets belonging to the estate. The supreme court affirmed the surrogate's decree, and the administrators appealed.

A transfer of the stock had been executed on the books of the bank, by the intestate, eight or nine days before his death, to his son, Levi Rowley, and a certificate of his stock made out by the bank, and delivered to Levi.

The sole question presented in the case was one of fact, as to the competency of the intestate to make the transfer. The court of appeals came to a different conclusion on that question from that of the courts below, and reversed the decrees of those courts, so far as they charged the administrators with the value of this stock.

#### *Tax upon Mutual Insurance Companies.*

THE SUN MUTUAL INSURANCE COMPANY *against* THE MAYOR, &c., OF THE CITY OF NEW-YORK.—This case presented the same questions as to the amount of capital possessed by the insurance company which was liable to taxation, which were presented in a cause between the same parties decided in April last, and were decided in the same manner.

A further question arose in this case, as to the constitutionality of the law of 1850, under which the tax was assessed. The objection was, that the act was not in accordance with that provision of the constitution which declares that "No private or local bill which may be passed by the legislature shall embrace more than one subject, and that shall be expressed in the title."

The law in question was entitled, "An act to enable the supervisors of

the city and county of New-York to raise money by tax." The act contained but a single section, and authorized the body named to raise and collect according to law, by tax, a sum not exceeding \$1,606,675 for contingent expenses; \$402,000 for public expenses; \$185,000 for lamp district; \$295,000 for deficiency in the taxes of the preceding year. A part of the contingent expenses accruing from re-paving the streets, &c., was to be levied on property south of 34th street, and the sum for the lamp district to be collected within a district to be designated by the common council.

The court held that the act embraced but one subject, the power to tax conferred upon the supervisors, and that that was sufficiently expressed in the title.

The judgment appealed from was affirmed.

*Conditional Authority to Draw Bills.*

NIXON & BARTLETT *against* PALMER.—In July, 1846, the plaintiffs sold goods in New-York to the amount of \$400 and upward, to William G. Sandford, of Wisconsin. After that time, there were negotiations between Sandford and James L. Palmer, a son of the defendant, in relation to the formation of a co-partnership between them, but no such co-partnership was ever finally agreed upon. During those negotiations, the defendant promised to let his son have \$2000 to go into business with, and as he had not then the money, he authorized the son to accept a draft drawn on him at not less than thirty days. In October 1846, Sandford and James L. Palmer were at the plaintiffs' store in New-York, and Sandford there drew upon the defendant, in favor of the plaintiffs, a draft at ninety days, for the amount of the July purchase by Sandford, which was accepted by James L. Palmer, for the defendant. On that acceptance this suit was brought.

It was proved by Sandford, that in November, after the draft was drawn, he had a conversation with the defendant at Buffalo respecting the draft in suit, and other drafts which had been drawn in New-York, and accepted by James L. Palmer for the defendant, and in that conversation the defendant stated that he had given James L. authority to accept for him in the manner he did. It did not appear that the defendant had at that time any notice that the acceptance in question was given in payment of a debt of Sandford.

In the supreme court, the plaintiff obtained judgment. The court of appeals reversed the judgment, and ordered a new trial; holding that the authority given to James L. Palmer to accept for the defendant, only authorized him to accept on account of the firm about to be formed, or to raise money to enable him to go into business, and did not authorize him to accept the draft to pay a prior debt of Sandford.

That the subsequent ratification attempted to be proved was not sufficient to bind the defendant, because it was not shown that the defendant knew for what purpose the acceptance was given.

That the burden of proof, with regard to that fact, rested upon the plaintiffs, who relied upon the ratification.

(See 10 Barb., 175.)

## BANKING IN MASSACHUSETTS.

*Extracts from the Annual Report of the Bank Commissioners.*

TO HON. EPHRAIM M. WRIGHT, SECRETARY OF THE COMMONWEALTH:

THE Bank Commissioners, in compliance with the requirements of the law under which they hold their commissions, respectfully present their Third Annual Report:

The whole number of banking institutions in the State, on the 31st of December, 1852, was one hundred and thirty-seven, thirty-two of which were in Boston. The total of bank capital at that date was \$43,270,500.

The whole number of savings institutions, at the same time, was fifty-four.

The Manufacturers' Bank, at Georgetown, was, at the time indicated, and is now, in the course of closing its concerns. In regard to this bank, it may be proper to say, that the par value (\$100 per share) of the capital stock was paid to the holders, April 26th, 1852; and, provision having been made for the redemption of outstanding bills, (amounting, on the 1st of September last, to \$749,) a dividend of 10  $\frac{3}{4}$ % per share, was then made. The bills are redeemed at the Suffolk Bank, at Georgetown, and at the Spicket Falls Bank, Methuen.

In the list is included the Merchants' Bank, Boston, which was authorized to increase its capital stock, by an addition thereto, not exceeding \$2,000,000—such increase to be subject to the provisions contained in "An Act to authorize the business of Banking," passed May 24th, 1851, and in the "Act additional thereto."

It is provided in the Act granting the increase, that "no part of the additional capital aforesaid, shall be exempted from taxation, until the whole circulation of said bank shall exceed the amount already allowed by law."

It will be seen that the sum of \$1,000,000, a moiety of the increase, has already been paid in; and the business of the bank proceeds in the same manner as though it had been added in the usual way. This process of engrafting the provisions of the free banking law upon an old institution, may be worthy of notice. We therefore furnish the opinion of eminent counsel, defining the duties of the corporation, in the process of increasing the capital, and of amalgamating the new capital with the old.

"BOSTON, June 11th, 1853.

"We have carefully examined the Act of the Legislature of 1851, entitled 'An Act to authorize the business of Banking,' and the Act in addition thereto, passed in 1852, and have compared the provisions of the same with the general laws regulating Banks and Banking; we have also examined, in comparison with the above laws, the special Act of 1853, entitled 'An Act to increase the capital stock of the Merchants' Bank in Boston.'

"The last named Act clearly authorizes the increase of the capital of the Merchants' Bank, by the addition thereto, of two millions of dollars, or any part of



that sum. This increased capital must be divided into shares of \$100 each, to be paid in in such instalments, and at such times, as the stockholders shall direct; the whole increase need not be made at one time, but may be made in instalments, provided the whole increased capital be paid in in one year. As each addition is made to the capital, the President and Directors are required to make a certificate, under their hands and seals, in which must be substantially stated the several particulars required by the law of 1851. The bank may, if they please, deposit with the Auditor of Accounts of the Commonwealth, such securities as are required by law, and receive from him bills for issue and circulation; they are, however, under no obligation to do this. The last proviso of the Act authorizing increase, places, beyond all question, the right of the bank to issue, under its present charter, bills to the amount of twenty-five per cent. above its present capital, before taking any bills from the Auditor. In fact, a bank may be established under the law of 1851, and so long as it issues no bills, no deposit need be made. It is only when such bills are taken from the Auditor, that security must be given. There can be no practical difficulty in increasing the capital as authorized. As soon as it is paid in, it becomes amalgamated with the existing capital, and the business will proceed in the same manner as though it was added in the usual way. No separate books or accounts are required, and no separation of the business or separate administration or management, with the exception of the requisites which we have above stated, in the organization; there is really no difference between an institution incorporated under the laws regulating Banks and Banking, and an association organized under the law of 1851.

"We cannot see that the Bank or its stockholders, incur any other or greater liability by the increase of capital; the duties, restrictions, and liabilities, are the same. If the law of 1851, and the additional law of 1852, give any privileges, the bank will be entitled to them so far as the increased capital is concerned; and among others, the privilege of paying out the bills of other banks, incorporated or established under the laws of this Commonwealth. As the legislature, in the law of 1851, have reserved the right of unconditional repeal of that law, and dissolution of any corporation existing under the same, we recommend that the certificate of shares of the increased capital should bear some distinctive mark upon them, so that, in the event of such repeal or dissolution, there may be no conflicting claims among its stockholders. We cannot, however, imagine any state of facts which would induce the exercise of the high prerogative, certainly not without the reservation of the right of the Merchants' Bank to retain its increased capital, so long as its affairs are managed carefully, judiciously, and in conformity to law. If the legislature should, however, exercise their reserved power in the matter, the repeal or dissolution would affect only the increased capital. The present capital would be reserved and retained, under the provisions of the laws by virtue of which it holds its present chartered rights.

"RUFUS CHOATE.

"A. H. FISKE.

"To F. HAVEN, Esq., President of the Merchants' Bank."

Various, and frequently very important, "suggestions," originating with committees of the legislature, or former Bank Commissioners, have heretofore been made, arising out of practices of the banks which still prevail to some extent. We take occasion to notice the Reports of the Board of Bank Commissioners, (established just prior to the expiration of most of the bank charters of the State,) whose duty it was, in part, to propose amendments of the banking system. This duty was ably and faithfully discharged by that Board. Their Reports are replete with practical suggestions upon our banking laws in general, and judicious and timely

references to defects of the system, or practices under it, most deserving of public attention and the interposition of the legislature.

We shall refrain from repeating the recommendations now referred to, except in cases where forbearance would be at variance with duty.

The dividends of profits by the banks, the past year, have been large, and afford presumptive evidence of their good condition. The institutions referred to by us last December, as omitting to make dividends in the preceding October, have since been enabled, in most instances, to divide as usual.

In general, we have to state in reference to the "condition" of the banks, that it is satisfactory; inasmuch as their assets, other than, and in addition to, specie items, constitute an apparently ample resource to meet their liabilities; the loan, though much extended, being based on the diversified transactions of the community about them, arising out of the rapidly extending business of the country. Some modifications of this opinion may be made as we proceed.

"The "general conduct" of the banks, almost necessarily, it would seem, to be inferred from their condition, we are glad to state, is worthy of commendation in very many particulars. In most cases, the success of the institutions, rather than their own accommodation, seems to be the aim of those connected with their management. In illustration of this, we may point to the comparative diminution of the liabilities of Directors.

Perhaps, however, too often, success, or the advancement of the stock, becomes paramount to the great end as contemplated by the legislature in the establishment of banks—the accommodation of the public, and more particularly, of the vicinity; for we have, in some instances, noticed a prevailing disposition to make loans to applicants from distant States, without due regard to the wants of the neighborhood, a practice we have not failed to scrutinize, and the propriety of which we have felt called on to question; especially when such loans are (what, however, we have not found common) unaccompanied by abundant collateral security, or a sound party, within the Commonwealth. We do not undertake to say that at present loans of this description exist to an extent or of a character to put in jeopardy the interests of the institutions in which they are found; but, we hold it to be an important rule to supply first and chiefly the home demand, always presumed to exist, for the grant of the charter pre-supposes it. And, though the prospect of increased circulation and the temptation of exchange may hold out inducements to depart from such a general rule, and tend for a time to increase the dividends, still, the bank that confines itself to a supply of the necessities of its own vicinity, alone realizes the object for which it was created.

In the present vastly extended business of the Commonwealth, the banks are strongly tempted, through a desire to make large dividends, to overrun the legal limit of their loan. Great caution is requisite on the part of bank officers in this particular; and they should never forget that the provision of the law on the subject is as clear as it is obligatory.

The amount of suspended and over-due paper in the banks, has been essentially reduced—an important fact in connection with their condition.

The subject of specie, as an element in the estimate of the "condition" of the banks, should not be passed over lightly. Undeniably, the amounts held by many of the banks are quite too small to satisfy the reasonable expectations of the public, or to evince a becoming regard for the theory which contemplates the instant conversion of every bank note issued into coin at the will of the holder. In some institutions of the highest repute and most undoubted ability, the amount of the precious metals on hand has been so small, as hardly to merit a name or place in comparison with the circulation. Suggestions from the Commissioners for immediate increase, are listened to respectfully, and, we believe, are acted on promptly and in good faith; but it is obvious that a strong desire to increase the earnings of a bank is too apt to silence the voice of experience, and to weaken that nice regard for the sound action of the system which ought uniformly to prevail. The confidence of the people in their moneyed institutions is great, and so long as no untoward event occurs to undermine this confidence, bank credit will stand firm. But whatever tends to awaken popular disfavor should be carefully guarded against.

It is impolitic for any friends of the system to disregard the principle of keeping in vault a liberal supply of specie; weak banks cannot do it without danger; strong ones do injustice to themselves by omitting the precaution. It is true the law prescribes no special amount of specie to be held by the banks; they pay a heavy tax to the State, and forego the use of a considerable sum to provide for the redemption of their notes in Boston. Yet they should remember that public attention has of late been called to this subject, and it is certainly entitled to the highest consideration. The action of the general court respecting it, at the last session, is an admonition that, unless a liberal spirit is evinced by the banks in this particular, legislation may be resorted to for a corrective.

By section 8 of the general banking law, it is provided that "no loan or discount shall be made, nor shall any bill or note be issued by any bank, or by any person on its account, in any other place than at its banking house." And by section 34, same chapter, every bank is required to "be kept in the town in which it is established, and in such part of such town as is prescribed by its charter."

Practices have been gradually growing up in several of the banks, at variance with the provisions of law above recited. These practices, though they may have originated in a desire to accommodate bank customers, the Commissioners believe, if persisted in, might lead to a general, direct and open violation of the law. If the business of the banks were allowed to be conducted by agencies, or by officers of the banks themselves, at a distance from their own counters, and away from their own vicinities, it would be an evident perversion of the design of the legislature in the establishment of banks. The Commissioners, therefore, after a careful scrutiny, enjoined upon the banks alluded to an immediate and entire discontinuance of these practices.

This requirement has been fully, and, as we believe, faithfully complied with. And we have quoted above the provisions of the law on the subject, to the end that their directness and explicitness may be seen and appreciated.

The Commissioners, under the obligations which rest upon them, must necessarily be watchful in regard to this matter; and they will not fail to notice any tendency, in the transactions of the banks, to overlook the requirements of the law.

It will appear that the total emission of bank notes is reported distinctly from the usual statement of circulation. The law declares that "the amount of bills issued by any bank shall not, at any one time, exceed the amount of stock actually paid in more than twenty-five per cent." It will be seen by reference to the table, that the emission greatly exceeds the circulation; embracing, as it does, all the bills of the banks, whether at home or abroad. It is to be regretted that so great latitude exists in regard to the making of bills at pleasure; there is great hazard in it, and the consequences may be disastrous.

In the absence of any legislation defining the character of the plate, or regulating the custody of bills, signed and unsigned, it seems natural that some uneasiness should prevail upon the subject, and we can not forbear to refer to the want of uniformity, on the part of Presidents and Cashiers, but chiefly the former, in maintaining proper checks upon each other in the preparation of bank notes for circulation.

The suggestion may be made, that the legislature may deem it advisable to provide for the registry of all notes or bills authorized to be issued or put in circulation as money. But, in the absence of such legislation, we deem it the part of ordinary prudence to require an exact account to be kept of all bills, as they come from the hands of the engraver, the President being made the depository of them, in the first instance, and being required to keep a precise statement of the disposition made of them. The same officer should also keep a counterpart of the bank note account now exhibited by the Cashiers in general.

It is not to be understood that this subject is overlooked entirely by the presiding officers of banks. In some institutions the most scrupulous exactness is practised, so that the President holds the materials for verifying, at any time, the statements of the Cashier, and thus manifests a proper sense of responsibility. We think that both the President and the Cashier should be able to exhibit, at once, the amount of bills, not only outstanding in the cash, and issued or circulated as such, but the actual amount of paper in the vault unsigned; and, as an antecedent to all this, the aggregate of all the orders ever filled for the bank by the engraver.

The law provides that all bills of a bank, "signed by either the President or Cashier thereof, which shall be in circulation through the agency or neglect of any officer of the bank shall be redeemed by the corporation." But the law prescribes no such duty as the keeping of a register of bills; the bank is not bound by law to keep one. Such registers are kept in most banks, but with very different degrees of exactness. Hence, if bills wanting the genuine signature of either of the officers find their way into circulation, it will not be found an easy task to trace directly to the bank that kind and degree of agency or neglect requisite to make it liable for the amount of the notes.

Every new impression, and every new issue, should be authorized by express vote of the Directors; and care should be taken that bills be ordered, as nearly as possible, only when they are wanted for use. Very few, or none at all, need be retained in blank. In several banks it is a rule not to keep any on hand.

This topic has been much discussed between bank officers and the Commissioners. Many coincide with us in opinion; while sometimes the danger from accident or fraud resulting from the foregoing considerations has been regarded as a remote contingency; but the contingency is one that has happened, and may happen again; and consequently, we think, should not be passed over with indifference.

The importance of this subject will appear more fully by an examination of two cases reported in the 17th volume of Massachusetts Reports: *Salem Bank vs. Gloucester Bank*—*Gloucester Bank vs. Salem Bank*. These actions arose out of the loss of a large amount of bills purporting to be the notes of the Gloucester Bank, which, after the Cashier had signed them, were stolen, and the signatures of the President forged thereon.

"Where the bills of a bank, after being prepared by the Cashier for the President's signature, were stolen, and a forged signature of the President added, the bank was held not to be liable to pay a *bona fide* holder, on the ground that the Cashier declared them to be genuine, nor by reason of the negligence of the directors, in so keeping the paper prepared for signature."—*Salem Bank vs. Gloucester Bank*. Mass. Rep. 17, 33.

"Bank Returns" are required by law to be made as of the first Saturday of such preceding month as the Governor may designate. More frequent returns are deemed to be desirable. The *average* of all the monthly returns usually prepared to meet the contingency of a call, might easily be rendered at the time of making the annual return. Monthly returns were proposed by a former Board of Commissioners, and no serious objection to such a measure occurs to us. The objection has been made that such a requisition would demand considerable additional clerical force. The reasonableness of this objection is by no means apparent, it being the practice of almost every institution, and the manifest duty and interest of all to prepare, once or twice a week, and place upon record, statements of their liabilities and resources. Some requirement, by law, of additional returns is due to those institutions that desire to stand on their own merits, and its utility is conceded by very many intelligent bank officers. The banking system is so intimately connected with all business transactions, that a pervading interest is felt in every thing pertaining to it; and, therefore, the condition of the banks should be as fully made known to the public as the nature of the case will admit.

By a recent law of the State of New-York, weekly returns are required from the banks of the city of New-York, and the avidity with which they are looked for, and the freedom with which they are discussed, furnish ample testimony of their importance. Perhaps the propriety of a similar law with reference to the city of Boston may deserve consideration. Good institutions will court scrutiny; doubtful or feeble ones will

be induced to put themselves in proper condition for the ordeal of public opinion.

Cashiers of banks are not required by law to be sworn to the faithful discharge of their duties. It is, perhaps, worthy of consideration, whether the taking of an oath should not be made an essential qualification for an office of such responsibility and importance.

It is the practice with some banks to hold an election of Cashier annually, in which cases care is requisite in so framing his official bond that it may have reference to his conduct under future elections. The rule established by the supreme court on this subject is, that "where it appears, by the recital of the bond or the records of the corporation, that his office is annual, the bond extends only to defaults during the year." But where it does not so appear, even though the Cashier is elected annually, the bond continues in force during his whole continuance in office.

Allusion was made, in our preceding Report, to the New-England Association for the Detection of Counterfeiters, which is receiving the aid of the State to the amount of \$2500 per annum, for five years, from May, 1852, under certain conditions.

The whole subject of the counterfeiting and altering of bank notes, and their proper remedies, occupies much of the attention of business men and bank officers; and in reference to it now, we present a communication from the Cashier of the Columbian Bank, (Secretary of the New-England Association,) and a letter from the President of the Tremont Bank, both of which contain valuable information and suggestions, and evince a commendable interest in the subject:

"BOSTON, December, 1853.

"The present 'Association of Banks for the Suppression of Counterfeiting,' is the reorganization of an association of the same nature, which has existed in this city for several years. A recent resolve of the legislature of the Commonwealth, authorizing the payment of one half of the expenses of such an association, when the amount should not exceed ten thousand dollars, together with the concurrent expression of prominent banking men throughout the State, of the necessity of more active measures against counterfeiters, led to the present organization. A Convention of the Banks was held in Boston, in February last, and a plan of association was adopted; the Board of Managers, consisting of fifteen, having ten members from banks out of the city, and the Executive Committee of five, having two members from the same. The banks of the other States of New-England may become members of the association. Each bank is entitled to one representative at the annual meeting. The assessment required from each bank the present year, was five dollars on each one hundred thousand dollars of its capital stock.

"The number of banks belonging to the association is one hundred and ten; and it is very desirable that every bank in New-England should be a member.

"The operations of the association have been facilitated by the payment of rewards for the conviction and sentence of offenders. In cases of arrest for passing counterfeit money, the reward would pay the complainant liberally for any loss of time attendant upon the prosecution of the offenders. These operations have extended throughout New-England, and parts of New-York, Canada, and the Provinces.

"The number of 'utterers' arrested has been about thirty-eight; of this number fourteen have been convicted and sentenced to different State Prisons, from terms of from two and a half to eight years, some of the offenders having

been very notorious; eighteen are now under arrest, and six have escaped for want of proof.

"During the present year the business of uttering has been conducted more than usually by females; their operations are conducted with less suspicion, and they more generally elude detection; a few of this class, however, have been arrested.

"The banks may do much to remedy the evil of counterfeiting: 1. By withdrawing their worn and defaced bills from circulation; and 2. By using no plates but those engraved in the highest style of the art."

"BOSTON, Dec. 17, 1853.

*"To the Board of Bank Commissioners :*

"GENTLEMEN: Presuming you will make your usual report to the legislature the coming session, and strongly feeling the necessity of each bank in the Commonwealth being required to use only a special plate, designed and prepared for its own separate use, I venture to ask you once more to call the attention of the legislature to the subject, and to urge upon them some action relative thereto.

"I am aware that you have twice alluded to it in your Reports. Our Grand Jury last spring also attested to the importance of legislative action on it; still it has not yet received the attention which it merits.

"Every week, nearly, I see new counterfeits printed from an old plate—or partially old—with the name altered; and which, from the mode adopted by nearly all the banks, is a very easy matter. It will require much time to prepare as many new plates as will be needed, should a law of this kind be passed. I suggest, therefore, the propriety of an act requiring all banks hereafter chartered, or having their capitals increased, to use a special plate of their own; and that all banks now in existence be subject to the same requirement after the year 1860—thus giving time to procure designs carefully executed by the best talent the country can produce; together with a general design, if a practicable one can be adopted, of having some one general feature, indicating the denomination when under the sum of \$10; and that, on the closing up of every bank, all their plates shall be taken possession of by the Bank Commissioners, and by them destroyed.

"An examination of the various counterfeit and altered bills, which almost daily come under my observation, convinces me that these suggestions, if followed, would be the means of eradicating much of the evil under which we now suffer; or rather, what the poorer classes of our fellow-citizens suffer, as they are too often the recipients of bills they are unable to lose, while the banks themselves lose nothing. The Tremont Bank never lost but \$10. It is, therefore, for the benefit of the public, rather than for the banks, that I am addressing you.

"Trusting that you may agree with me in the importance of these suggestions,

"I am, Gentlemen,

"With much respect,

"Your obedient servant,

"AND. T. HALL."

By an Act of the Commonwealth, May 25th, 1853, "to facilitate the detection, and prevent the circulation of counterfeit bank bills," it is provided, that any bank established by authority of this Commonwealth, which shall receive a counterfeit bank bill from any other bank or person, shall write or stamp the same as "counterfeit;" adding the name of the bank, and the initials of its officer making such stamp or writing.

An "altered" bank bill is to be stamped or written upon, in a way to give notice of such alteration.

We have reason to believe that this law has had a salutary effect, as

it prevents counterfeits from again obtaining circulation, (as has frequently been the case, heretofore,) after their detection and return to depositors, in consequence of fraud or neglect on the part of holders.

The institutions that have commenced operations since the date of our last Annual Report, are the Seaman's Savings Bank, at Provincetown, and the six following, which were chartered at the last session of the Legislature :

Abingdon Savings Bank, at Abingdon.
Dorchester      "      "      Dorchester.
Waltham      "      "      Waltham.
Westfield      "      "      Westfield.
Cambridgeport      "      "      Cambridge.
Rockport      "      "      Rockport.

So popular is the principle of such banks, that voluntary associations of the kind have sprung up in some of our manufacturing villages ; and, in portions of the State, individuals having, from their position, important facilities, are doing the business appropriate to savings banks ; thus standing in an attitude of rivalry with these beneficent institutions.

Many of the savings banks have become very largely expanded; and it may be suggested, as a proper inquiry, whether this absorbing of capital, without some limitation of amount, be advisable and expedient. This question has received attention in the State of New-York, where a law has been passed, restricting savings banks hereafter incorporated in the city of New-York, and in the county of Kings, from receiving a larger amount of deposits than three millions of dollars; and providing, also, that the rate of interest on all deposits of \$500 and under, shall be one per cent. greater than on any sum exceeding \$500; and no such savings bank can hold a larger sum than \$1000 from any single depositor. The latter provision exists with us. In France it is understood that the maximum to be received of any one depositor, has been reduced from about \$600 to less than \$400.

These institutions in our own State have been very successful; and their management, by prudent men of business, has been productive of incalculable good to thousands of depositors, whose means might have otherwise been wasted.

These banks should be conducted *strictly* in subordination to the general laws of the State; and they should be held to the safe and equitable rule of dividing their profits "in just proportion" among all the depositors. They should be confined, as closely as possible, to the receiving of deposits from those who "need to be encouraged to the practice of frugality." With ordinary care, this class of persons may receive adequate returns; and the cases will be but few, in which the sum of \$500 will be reached, especially if a distinction, similar to that referred to in New-York, should be made here, in favor of the smaller depositors.

We adhere to the opinion, that the profits should be divided semi-annually, keeping on hand a surplus against casualties merely, and not with a view to a large extra dividend, at the end of every term of five



years. We are fully convinced that the tendency of the plan of four per cent. annual dividends only, is to attract persons of large means, (as has been remarked in former Reports,) "to make deposits for the very purpose of availing themselves of a share in the surplus profits every fifth year." Such persons do not need, and should not, seek the benefit of the gratuitous labors of the benevolent conductors of these institutions.

The Commissioners suggested, in their last Report, that the regulation of these surplus funds was a subject worthy the further attention of the legislature. Another year's experience satisfies us of the importance of providing by law against the practice of accumulating the entire profits above four per cent., to be divided, as we think, not in the "just proportion," contemplated by law.

The practice of dividing only four per cent. per annum, is becoming less frequent than heretofore. Many institutions are dividing five per cent; some divide six, without inconvenience or hazard. Even seven per cent. has been divided, in rare cases, thus realizing the true division of profits, "in just proportion," according to law.

If men of competent means, in their own names, and in the names of others, are to be allowed to make deposits for the sake of the large surplus, accruing, in great part, from the hard earned pittance of the poorer classes, the chief design of the institution will be perverted. Where money is found in large masses, it is apt to be loaned in corresponding sums; and so not to benefit, to much extent, the industrial classes. Within suitable limits, these institutions may be useful to borrowers as well as lenders; while, without some limitation of the character indicated, there is danger of absorbing too much of the money of the country, in localities where it may be wanted by the young and enterprising, who can furnish legal security, but of a kind which the larger classes of savings banks are averse to dealing in.

In another view, it is undesirable that they should be enlarged by the contributions of the wealthy, who have no title to the services of benevolent trustees. For it is very clear, that the savings banks of the first class will demand more time for the duties of inspection and investment, than the patrons of them can conveniently bestow. Thus, there is danger that the "luxury of doing good" may become too expensive a gratification; and the business of the institutions may fall into the hands, exclusively, of salaried officers. The gratuitous oversight of them is so important, that a departure, in that respect, from the original principle, is obviously to be deprecated.

Most savings banks authorize their trustees to exercise a discretion in the declining of deposits. Let them exercise this authority in the cases of those who are not of the class contemplated as suitable depositors. And if, at any time, it should be determined to limit, by law, the aggregate sum to be held, it might be fixed, in the case of each particular corporation, with reference to its locality—the charter defining the amount, in every instance.

There is a tendency to inadmissible investments, growing out of large surplus accumulations. We have found several cases of investments in real estate—a mode not recognized by law. Any embarrassment, in

this particular, might be removed, so far as is needful, by the passage of a law authorizing the holding of real estate for purposes of business; but there is no necessity for this, in the case of the smaller institutions.

If the earnings of the savings banks are divided every six months, there will be little inducement to resort to the erection of expensive edifices, as is sometimes done, for the accommodations of business and for rents. The earnings may be so divided with advantage; they have been so, in our own State, to some extent; and we notice that in some of the neighboring States, the dividends thus made, range from five to six per cent. per annum.

*Safety* is the first great object, unvaryingly to be regarded by these institutions. The interests of depositors should be placed entirely above the hazards of trade, or the risks of ordinary banking.

In this connection, we must urge the importance of separating the savings banks, as much as possible, from the banks of discount and circulation. Very many valuable bank officers are connected with the management of some of the savings institutions; but we deem it very objectionable that the offices of cashier of a bank, and treasurer of a savings institution, should be united in the same person; particularly when the directors of the one, and the investing committee of the other, are identical, or nearly so. A bank, allied in this way to a savings institution, may be induced to suffer the uninvested funds of the latter to remain on deposit to an inordinate extent; as it may be paying a low rate of interest, and so may find it convenient to make these deposits the basis of extending its own operations. The danger to be apprehended from such a state of things is, that the interests of the bank may conflict with those of the depositors in the savings institution, which the trustees are pledged to guard with a single as well as ever-watchful eye.

We take pleasure in stating, that in general the funds are kept beyond the hazards above indicated, and that the loans are generally made according to the prescribed forms. In the case of personal loans, however, deviations too frequently appear, which we regard as unauthorized. It is not unusual to find a guarantor substituted for a surety; the former being an inferior class of security to the latter.

Instances occur where a merely personal loan, or one classified as such, is fortified by other security. For instance: a note is taken with a principal and two sureties, with the collateral support of a pledge of real or personal property. Such mixed loans are of doubtful legality, and subject the officers to unnecessary responsibility. Every investment and loan should fall clearly within the requirements of the law; and all officers of these institutions should be constantly aware of their personal accountability for all illegal loans and investments.

The practice of loaning on merely business paper, should be avoided. Especially should the buying of bills of exchange, and the discounting of mercantile notes, be regarded as dealing in a class of securities never designed to be resorted to. Loans of this character may sometimes afford greater profits, but can not be so safe for depositors, as the plain course marked out by the law. *Discounting* by savings banks has no legal sanction; and the taking of interest in advance, on notes secured

by mortgage, should not be tolerated. The usage referred to is becoming less frequent, and this practice, as well as that of taking interest in advance, on notes secured by mortgage, should cease entirely.

By a law of this Commonwealth, corporations are required to publish, once in five years, a list of all dividends and balances that have remained unclaimed for the space of two years, with names of persons to whose credit such balances stand. This requirement has been understood, by some few of the savings banks, to be binding; and by others it has been wholly disregarded. Many out-standing balances exist, that have not been claimed for a much longer period than two years; but the presumption is, that a majority of them have been steadily kept in view by the depositors.

It seems difficult for the proper officers to make such a distinction between unclaimed and unrecognized deposits, as to enable them to comply, effectually, with the law in question; though there have been instances in which the treasurer's advertisement has afforded timely notice to depositors, who had been ignorant or forgetful of their interests. It appears to us, that the officers of savings banks should be specially required, by law, to publish periodically a list of balances, where depositors have omitted, for a given period, to draw principal or interest; and that the Commonwealth should be the trustee of all finally unclaimed sums, and hold them for the benefit of whom it may concern.

A "Sixpenny Savings Bank" is a novelty deserving of notice. One such has been established in the city of New-York. A provision in its charter declares it to be "the duty of the trustees to regulate the rate of interest to be allowed to the depositors, so that they shall receive, as nearly as may be, a ratable proportion of all the profits, after deducting all necessary expenses." And it is further provided, that all surplus funds, above \$25,000, shall be ratably divided among the depositors. Should there be a call for such an institution here, we would suggest the propriety of limiting the maximum of deposits of each individual to a sum of very moderate amount.

Another recent enactment of the State of New-York provides that it shall not be lawful for any trustee of a savings bank to be a trustee of more than one such institution at the same time; and that trustees of savings banks shall not be directors, at the same time, in any bank in which any part of the money of said savings bank shall be deposited.

So great confidence is reposed in the integrity of the treasurers of very many of our savings banks, that we frequently find the bond required of that officer to be very disproportionate to the amount of funds in his keeping. This subject is regulated by the trustees, and the law requires the treasurer to give bond "to their satisfaction." The matter, after being passed upon by them, when the institution is in its infancy, is too often overlooked as it advances. It seems proper, that the bond should have some reference to the total amount of deposits, and undergo a periodical scrutiny by the trustees, with a view to being enlarged, if needed.

The "general conduct and condition" of the savings banks may be regarded as being creditable to those who have charge of them. We have not undertaken to urge additional legislation to any extent; cer-

tainly none that will conflict with what seems to be the general purpose of the legislature in regard to them. We believe this may be substantially attained under the present laws, with such modifications, from time to time, as the regular growth of the institutions shall render necessary.

In the earlier examinations of savings banks, a very important question arose, as to the obligation of some of them, (four in number,) to make their investments in conformity with the general laws on that subject. Those institutions were chartered prior to the passage of the Corporation Act, and the laws regulating investments.

It was the opinion of the Commissioners, and so expressed in their first Annual Report, that the claims of these institutions to be exempted from the operation of these general laws, conflicted with the true policy of all savings banks; and if allowed, would, in effect, deprive the legislature of an important power for the public good. The institutions referred to, were merely empowered to invest their funds "to the best advantage," the legislature not then pointing out the means of attaining that end.

By an order of the Honorable Senate, May 14, 1852, the Supreme Judicial Court was requested to furnish an opinion upon the question, "Whether 'the Provident Institutions for Savings in the Town of Boston,' chartered in the year 1816, are subject to the general laws relating to savings banks and institutions for savings, passed since the granting of the charter aforesaid?" The opinion of the whole Court in the affirmative, appended to our last Report, was considered by us as conclusive, upon the corporations immediately interested; and those institutions, with a single exception, now take the general laws as their guide in loaning and investing their funds.

The exception is the "Salem Savings Bank," where very many loans and investments exist, which are entirely and undeniably at variance with the general laws above referred to. The trustees allege that they are bound by no rule but the exercise of a sound discretion in the investments they make; and that the recent opinion of the Supreme Court does not control them; it having been given merely in answer to a call of one branch of the legislature, without argument of counsel, and without an investigation of facts. Their position is, that this grave opinion of our highest judicial tribunal, given in a constitutional mode, "upon an important question of law," and "upon a solemn occasion," does not make them subjects of legislative regulation, though they, as well as all similar institutions, make annual returns of their condition to the State authorities.

We cheerfully accord to the managers of this institution the praise of the highest ability, combined with a true and zealous interest in its concerns—the result of all which has certainly been beneficial to depositors. But we consider their practice to be contrary to law, and the example to be one of most dangerous tendency.

The considerations offered on this subject, in our first Annual Report, still operate with unabated force; and its manifest importance commends it to the earliest attention of the legislature.

Boston, December 30, 1853.

SAMUEL PHILLIPS,  
EZEKIEL R. COLT,  
W. B. CALHOUN.

## BANKING IN THE SEVERAL STATES.

## I. NEW-JERSEY.

THE following statement, from the report of the Bank Commissioners, shows the name and location of the several Banking Associations organized under the provisions of the act to authorize the business of banking, and the several supplements thereto; also the kind and amount of security deposited by each, and amount of circulation up to and including Dec. 31 :

*Bank of America*, Cape May, C. H.—Virginia 6 per cents, \$29,000; circulation, \$29,988.

*Hudson Co. Bank*, Jersey City.—Kentucky 6 per cents, \$48,000; Ohio 6 per cents, \$22,000; Penn. 5 per cents, \$46,000; taken at \$39,932—total, \$103,932; circulation, \$109,477.

*City Bank*, at Cape Island.—Virginia 6 per cents, \$41,000; circulation, \$41,005.

*Bordentown Banking Co.*—Kentucky 6 per cents, \$79,500; Virginia 6 per cents, \$5000; Penn. 6 per cents, \$5500—total, \$90,000; circulation, \$90,000.

*Public Stock Bank*, Belvidere.—Penn. 5 per cents, \$6000, taken at \$5590; Ohio 6 per cents, \$3500; cash in bank, \$5681—total, \$14,741; circulation, \$14,386.

*Newark City Bank*.—Virginia 5 per cents, \$48,000; Kentucky 6 per cents, \$35,000; Newark City 6 per cents, \$60,000—total, \$143,000; circulation, \$143,000.

*Merchants' Bank*, Bridgeton.—Bonds and mortgages, \$25,000; Penn. 5 per cents, \$34,000; taken at \$33,220; Ohio 6 per cents, Kentucky 6 per cents, \$2000; Virginia 6 per cents, \$3000; cash in bank, \$896—total, \$75,066; circulation, \$74,789.

*Central Bank*, Hightstown.—Bonds and mortgages, \$32,000; Kentucky 5 per cents, \$12,000; Ohio 6 per cents, \$5700; Penn. 6 per cents, \$20,000; Penn. 5 per cents, \$1000, taken at \$970; Virginia 6 per cents, \$48,000—total, \$118,670; circulation, \$117,787.

*Passaic Co. Bank*, Paterson.—Virginia 6 per cents, \$4000; Penn. 5 per cents, \$5000, taken at \$4850—total, \$8850; circulation, \$8769.

*Wheat Growers' Bank*, Newton.—Virginia 6 per cents, \$35,000; Ohio 6 per cents, \$11,700; Penn. 5 per cents, \$1000, taken at \$980—total, \$47,680; circulation, \$47,653.

*Bank of North America*, Flemington.—Virginia 6 per cents, \$90,000; circulation, \$89,996.

*Traders' Bank*, Cape May, C. H.—Penn. 5 per cents, \$40,000, taken at \$39,120; Virginia 6 per cents, \$2000—total, \$41,120; circulation, \$41,116.

*America Bank*, Trenton.—Virginia 6 per cents, \$45,000; Virginia 5 per cents, \$5000, taken at \$4900—total, \$49,900; circulation, \$49,900.

*Mechanics' and Traders' Bank*, Jersey City.—Jersey City Water Co. 6 per cents, \$76,000; Newark City 6 per cents, \$40,000—total, \$116,000; circulation, \$115,988.

*Bank of Cape May Co.*, Cape Island City.—Virginia 6 per cents, \$5000; circulation, \$4830.

Total amount of securities, \$979,959; total circulation, \$977,682.

The following Banking Associations, having determined to relinquish the business of banking, have redeemed and returned to the Treasurer 80 per cent of their circulation; and deposited in Bank, to the credit of the Treasurer, amounts equal to the balance of circulation, namely:

	<i>Cash Deposited and Balance of Circulation.</i>
Ocean Bank at Bergen Iron Works, .....	\$2082
Delaware & Hudson Bank, at Toms River, .....	2195
Merchants' Bank, May's Landing, .....	952
Atlantic Bank, May's Landing, .....	1827
Farmers' Bank, Freehold, .....	706
Atlantic Bank, Cape May, C. H., .....	6676
Tradesmen's Bank, Flemington, .....	1149
American Exchange Bank, Cape May, C. H., winding up } by order of the Court of Chancery, .....	1172
	<hr/> \$16,758

The Provident Institution for Savings, in Jersey City, has declared a dividend of  $1\frac{1}{4}$  per cent per annum, for the last five years, out of its surplus earnings. This, with the regularly compounded interest of five per cent, amounts to over seven per cent per annum, to those who have left their money on deposit for three or four years.

The Legislature of New-Jersey have passed the following Act:

"A further Supplement to the Act entitled, 'An Act against Usury,' approved April tenth, eighteen hundred and forty-six.

"1. *Be it enacted by the Senate and General Assembly of the State of New-Jersey,* That upon all contracts hereafter made in the County of Hudson, or in the County of Essex, or City of Paterson, in this State, for the loan of, or the forbearance or given day of payment, for any money, wares, merchandise, goods, or chattels, it shall be lawful for any person to take the value of seven dollars for the forbearance of one hundred dollars for a year, and after that rate for a greater or less sum, or for a longer or shorter period, any thing contained in the Act to which this is a supplement to the contrary, notwithstanding; provided, that each one of the parties to such contract shall, at the making thereof, reside, or be actually located, either within the limits of the said two counties, or out of this State.

"2. *And be it enacted,* That this Act shall take effect immediately."

## II. MARYLAND.

### *Bill for the Enlargement of the Bank Capital of the State.*

Section 1. Be it enacted by the General Assembly of Maryland, That the capital of the several banks in the city of Baltimore, may be enlarged so that those banks whose capital now exceeds one million of dollars may be increased to two millions of dollars; those whose capitals exceed nine hundred thousand dollars, and less than a million, may be increased to one million five hundred thousand dollars; and the capitals of all remaining banks in said city may be increased to one million of dollars.

Sec. 2. And be it enacted, That such increase of capital may be effected from time to time, in a way and at periods most convenient and available in the judgment of their respective directors; *provided* That not less than one hundred thousand dollars shall be added to the capital of a bank at any one time.

Sec. 3. And be it enacted, That before providing to increase its capital, the directors of a bank proposing to avail the institution of this privilege, shall first obtain the assent of a majority of the stock-holders, represented in person or by proxy, at a meeting of the stock-holders, called by the directors on at least sixty days' notice, published in two or more of the daily newspapers in the said city.

Sec. 4. And be it enacted, That the privilege to increase the capitals of the banks aforesaid, or any of them, may be exercised either before or after the provisions of the Act, passed at the session of eighteen hundred and fifty-three, entitled, An Act to continue the corporate existence of the several banking institutions, the reinmentioned shall operate on the several banks aforesaid.

Sec. 5. And be it enacted, That whenever any of said banks shall increase its capital, as hereby authorized, it shall forthwith report the same to the Treasurer of the State; and such bank shall therefore pay annually into the Treasury the school tax of twenty cents on every hundred dollars of such increased capital.

Sec. 6. And be it enacted, That this Act shall take effect from its passage, and nothing therein contained shall be applicable to savings institutions.

### III. OHIO.

*Bank Taxation.* Supreme Court of Ohio; Hon. T. W. Bartley, Chief Justice, Judges Corwin, Thurman, Ranney, and Caldwell—all present. February 6, 1854: Rowland Ellis and Wm R. Morton *vs.* Francis Linck and Charles Thomas; Error to Common Pleas, Hamilton County. Judge Corwin held:

1. The decision already made by this Court, in the case of the Exchange Bank of Columbus *vs.* Hines, having settled that the 10th section of the Tax Law of April 13, 1852, is constitutional and void, it follows, that private bankers, even if they are not bankers contemplated by the 3d section of Article XII of the Constitution, cannot deduct their debts from their moneys and credits.

2. But, if the correctness of that decision could be doubted, it is the opinion of the Court that private bankers could not make such deduction. Persons having money employed in the business described in the 15th section of the Act in question, are bankers, such as are forbidden to make deductions by the Constitution, Article XII., Section 3.

3. Moneys deposited with a *bank* or *banker*, (unless *specially* deposited,) become the moneys of the bank or banker, appertaining to the banking business, and proper to be listed with the other moneys belonging to that business; and this is equally true of general deposits, whether they happen to be used in the discounting of paper, or held in reserve to pay probable current demands. Judgment affirmed.

In 1837 there were four banks in Cincinnati, with a capital of one million of dollars each, and the Miami Exporting Company, with a capital of \$296,225. In May, 1837, as compared with May, 1847, the entire resources for business of those banks, including in the line of de-

posits the amount due the government of the United States, were as follows :

	MAY, 1837.	MAY, 1847.
Capital, .....	\$4,296,225	\$1,640,026
Circulation, .....	2,422,217	1,037,046
Deposites, .....	5,558,844	1,787,826
Other Resources, .....	1,308,372	1,125,300
	<hr/>	<hr/>
	\$13,585,658	\$5,590,208

In 1837, the population was not more than fifty thousand ; in 1847, the population had increased to one hundred thousand, and the business of the city had more than doubled.

In February, 1853, the resources of the city banks were reported to be .....\$4,505,698

And what are they now? About .....\$2,000,000

And what will they be when the legislature is done tinkering with them? when taxation shall have done its office?

#### IV. VIRGINIA.

THE Joint Committee of the Legislature, charged with the duty of inspecting the books, and examining into the proceedings of the Bank of the Old Dominion, at Alexandria, exonerate the bank from any violation of its charter. They state as follows :

"The present capital stock is \$379,800. The charter of the bank establishes the minimum and maximum amounts of the capital stock at \$200,000 and \$500,000.

"The Committee sought information as to whether the bank had enlarged its basis of circulation, by increasing its capital stock beyond what had been actually subscribed or purchased by stock-holders. The result was, that it had not done so; the stock ledger exhibiting the amount of \$379,800 of capital stock, and the list of stock-holders, with the number of shares held by each, showing that there are 3789 shares held by *bona fide* stock-holders. (See also the answer to the first question in the deposition of Robert H. Miller, and the answer to the 22d question in the deposition of James McKenzie.)

"The bonds of the State, and guaranteed bonds of Corporations, at this time the property of the bank, and deposited with the Treasurer of the Commonwealth, amount to \$362,540, as follows, to wit :

State Bonds, .....	\$219,790
James River & Kanawha Canal Co., .....	28,250
Richmond & Danville Rail Road Co., .....	17,500
Alexandria Canal Co., .....	15,000
Chesapeake & Ohio Canal Co., .....	82,000
	<hr/>
	\$362,540

"The Committee can not conclude without expressing their strong sense of the courtesy extended to them by the President, the Cashier, and all



the officers of the bank, and by all of the Directors who were present; as well as of their promptness in answering all questions, their readiness to give any information desired, and to furnish every facility for the investigation; and the entire absence, on their part, so far as could be discerned by the nicest scrutiny, of all desire to conceal any thing sought to be brought into view.

SUMMARY OF THE LAWS PASSED BY THE LEGISLATURE OF  
VIRGINIA, 1854.

*Bank Department.*—An act authorizing the appointment of a clerk to the banking department in the treasury office. Creates an office by this name with a salary of 750 dollars. The treasurer shall charge not exceeding ten dollars for every thousand canceled notes returned by any bank for registration; and if this be insufficient to reimburse the Commonwealth for the above salary, the deficit shall be raised by a per centum charge on the stock of each of the independent banks.

*Central Bank.*—An act to increase the number of directors of the Central Bank of Virginia. Provides for thirteen directors; the four additional directors to be appointed by the board in being on the third Tuesday in March next, or any succeeding discount day until the next annual meeting of the stockholders, when the question of an increase in the number of directors shall be submitted to said meeting; and if concurred in, thirteen directors shall be selected by them, any five of whom shall constitute a quorum.

*Martinsburg Bank.*—An act to amend an act to incorporate an independent bank in the town of Martinsburg in the county of Berkely, passed March 19th, 1853. Increases the capital stock to \$300,000, and authorizes the president and directors of the bank to receive subscriptions. Before the treasurer countersigns any notes of the bank, the president or cashier shall furnish him with a statement, on oath, showing the amount of capital subscribed, and the treasurer shall not countersign a greater amount of notes than the capital so paid in.

*Citizens' Bank.*—An act amending the fourth and fifth sections of an act incorporating the Citizens' Bank of Virginia, so as to change its name to the Bank of Rockingham. The only change effected in the act of 1853, is the change of name as cited in the title.

*Bank of Guyandotte.*—An act to incorporate the Bank of Guyandotte in the county of Cabell. The capital is not less than 100,000 dollars nor more than 300,000 dollars. The Bank is governed by the provisions and subjected to the restrictions of similar charters passed for the incorporation of independent banks by the last legislature; the act also provides that before the treasurer shall countersign any of the notes of the bank, the President or Cashier shall furnish a statement, on oath, of the amount of capital subscribed, and the treasurer shall not sign notes to a greater amount than said capital. The charter is in force for twenty years, subject to the control of the legislature.

The following savings banks are incorporated, with the provisions of the fifty-ninth chapter of the Code.

193. An act to incorporate the Valley savings bank at Winchester in Virginia. The capital not to exceed 100,000 dollars.

194. An act to incorporate the Charlestown savings bank in the county of Jefferson.

195. An act to incorporate the Buchanan savings bank in the county of Botetourt.

196. An act to incorporate the Shockoe Hill savings institution in the city of Richmond.

197. An act to incorporate the Commercial savings bank in the city of Richmond. The capital not to exceed 100,000 dollars.

198. An act to incorporate the Manufacturers' savings bank of the city of Richmond.

199. An act to incorporate the Summersville savings bank in the county of Nicholas. With a capital not exceeding 30,000 dollars.

200. An act incorporating the Brownsburg savings institution. The stock to be divided into shares of 20 dollars, and in all elections, &c., each member is entitled to one vote on every share.

201. An act to confer upon the Rockingham mutual fire insurance company the privileges of a savings bank. The funds of the depositors are not made liable for losses sustained by the company.

202. An act to amend the second and eighth sections of an act incorporating the Petersburg and Norfolk savings institutions, passed March 22, 1836. Reduces the number of directors from nine to five, and extends the charter to the 22d of March, 1876.

---

*Small Notes in Virginia.*—The following is a copy of the bill as passed by both Houses:

"SEC. 1. Be it enacted by the General Assembly, that it shall be the duty of Commissioners of the Revenue and Courts to whom application shall be made for license, to require, from each and every person who shall apply for license, an oath that he will not pay out (within the limits of the Commonwealth) notes of a less denomination than five dollars issued by banks, corporations, or individuals.

"SEC. 2. And be it further enacted, that in every case where a note of a less denomination than five dollars is offered or issued as money, whether the said note be issued by a bank, corporation, or by individuals, the person, firm, or association of persons, corporation or body politic so offering or issuing such note, shall pay a fine of ten dollars, to be recovered before any justice, alderman of a city, or court in this Commonwealth; and any person whose name is signed on the face of such note shall be deemed an issuer within the meaning of this act.

"SEC. 3. And be it enacted, that one half of the fine or penalty recovered in any case under this act, shall go to the informer, and the residue shall be paid into the treasury of the county or city in which the same may be prosecuted for; provided, that in all cases the informer shall be a competent witness, and that such informer shall not be required to testify to more than the denomination of such note.

"SEC. 4. And be it further enacted, that any person may recover by motion before a single Justice or Alderman, or before any Court, from any person whose name is on the face of a note of a denomination less than five dollars, which may be issued after the passage of this act, five times the amount of such note, and such recovery shall be, in addition to the fine hereinbefore imposed.

"SEC. 5. And be it further enacted, that the penalties imposed by this act shall be in addition to the penalties heretofore imposed, and this act shall be construed remedially.

"SEC. 6. And be it further enacted, that this act shall apply as well to interest bearing scrip for sums less than \$5 as to notes of other descriptions.

"SEC. 7. This act shall be in force from and after the first day of June next.—Provided, that the first section of this act shall not go into operation until the 1st day of June, 1853."

#### V. KENTUCKY.

THE legislature of Kentucky, at its last session passed acts for the incorporation of various new banking institutions. Governor Powell exercised the *veto* privilege in these cases, and the bills failed to pass, on a final re-consideration. The following is an extract from Governor Powell's veto message:

"The banks of Kentucky now have a circulation of \$13,299,000, independent of deposits, which, together with a portion of their capital, is used for banking purposes. Of the chartered capital of the present banks, there remains \$3,550,623 untaken. There is now due to the banks the sum of \$20,894,795. This is an immense indebtedness, and the indebtedness of the community will be increased at least to the extent of the increased issue of the banks. This bill proposes to charter a bank with nine branches, with a capital of \$2,600,000, with the privilege of extending it to \$3,600,000. A bill entitled 'an act to amend the Deposit Bank of Covington,' with two branches, and a capital of \$800,000 has passed the two houses, and is now before me. Bills to establish the Milton Bank of Kentucky, with three branches, with a capital of \$800,000, and the Falls City Bank of Kentucky, with one branch, and \$600,000 of capital, are now before the legislature, and will probably pass. The former has passed the house of representatives. The North-eastern Bank at Maysville, with a capital of \$1,000,000; also a bank at Paducah, with a capital of \$300,000, I understand will be reported to the legislature in a few days.

"If the bills now before me should become laws, it will increase the chartered capital of the banks of Kentucky \$4,400,000, which, added to the \$3,550,623 untaken in the present banks, would make \$7,950,623 of chartered bank capital untaken in the State. If the capital should all be taken and paid in, and two dollars in paper for every dollar paid in were issued, it would increase the bank circulation \$15,901,246, and to that extent, at least, the community would become indebted; that added to the present indebtedness to the banks, would make an indebtedness of \$36,796,041. Is it prudent thus to increase the indebtedness of the community, by increasing bank issues, when the wants of commerce do not require it?"

#### VI. GEORGIA.

THE condition of the various banking institutions in the State, is a subject on which correct information can not be too extensively diffused. It is a matter of no inconsiderable importance to all classes of the people, and is at all times a subject of general interest.

In this State the Governor is vested with the right of calling on all the banks, at any time, twice a year, for a statement of the condition of their affairs, under the oath of the officers as on the day of the meeting of the directors immediately preceding the date of his proclamation. The last proclamation of the Governor was issued on the 3d of December last, to which all the banks have responded.

The following table contains a consolidated statement of the condition of all the banks in the State, carefully compiled from official reports lodged with the Executive:

*Table Showing the Condition of the Georgia Banks.*

NAMES OF BANKS.	AMOUNT OF CAP'L STOCK.	AMN'T OF DIS- C'TS & LOANS.	AMOUNT OF SPECIE.	AMOUNT OF CIRCULATION.	AMOUNT OF DEPOSITS.
Atlanta Bank .....	800,000	559,745	114,798	580,903	39,898
Augusta Insurance Bank.....	375,000	317,682	23,027	256,560	26,874
Bank of Augusta.....	600,000	511,944	61,753	723,839	150,237
Bank of Brunswick.....	300,000	594,544	97,524	424,325	45,525
Bank of Savannah.....	400,000	992,592	126,119	698,360	80,677
Bank of State and Branches.....	1,500,000	8,656,788	433,354	2,227,815	722,417
Central Railroad and B. Co.....	8,500,000	618,023	84,228	204,181	96,255
Georgia Railroad and B. Co.....	4,000,000	900,629	123,811	972,405	60,023
Manufacturers', Macon.....	125,000	79,712	9,670	84,682	18,659
Marine Bank.....	800,000	1,105,273	189,035	1,301,548	285,199
Mechanics' Bank.....	500,000	1,289,842	138,133	629,109	29,554
Planters' Bank.....	535,400	2,062,206	119,696	981,144	819,747
<b>Total.....</b>	<b>12,981,400</b>	<b>12,609,336</b>	<b>1,521,149</b>	<b>8,982,838</b>	<b>2,106,069</b>

Of the loans and discounts there is lying over in suit, judgment protest, &c.....\$359,746  
 Of which considered good.....\$232,978  
 Doubtful..... 89,785  
 Bad..... 36,983 359,746

The following table shows the comparative specie strength of the banks with their circulation and deposit:

	Specie.	Circ. & Dep.	Specie per dol. on Circ. & Dep.
Atlanta Bank.....	\$114,798.....	570,796.....	21 cents.
Augusta Insurance Bank.....	23,027.....	283,444.....	08 "
Bank of Augusta.....	61,752.....	873,576.....	07 "
Bank of Brunswick*.....	97,524.....	469,854.....	20 "
Bank of Savannah.....	126,119.....	779,037.....	16 "
Bank of State & Branches.....	433,354.....	2,950,235.....	14 "
Central R. R. & Banking Co....	94,228.....	300,386.....	28 "
Georgia R. R. & Banking Co....	123,811.....	1,032,428.....	12 "
Marine & Fire Insur. Bank.....	189,035.....	1,586,746.....	12 "
Manufacturers' Bank Macon....	9,670.....	53,341.....	18 "
Mechanics' Bank Augusta.....	138,133.....	886,083.....	15 "
Planters' Bank.....	119,696.....	1,300,891.....	09 "

Average specie strength as above of circulation and deposits, 13 $\frac{1}{2}$ c per dollar.—  
*Atlanta Intelligencer*, Feb. 16, 1854.

\* This bank does not distinguish the specie from specie funds, as done by the other banks, but includes them together. We have no means of ascertaining their amount of specie proper, but we give it as stated, including specie funds.

## WHAT SHAKSPEARE SAYS ABOUT GOLD AND SILVER.

## GOLD.

	Act.	Sc.
And set it down with gold on lasting pillars.	<i>Tempest,</i>	v. 1
The water nectar, and the rocks pure gold.	<i>Two Gen. of Ver.</i>	ii. 4
And seven hundred pounds of moneys, and gold, and silver,	<i>Merry Wives.</i>	i. 1
She is a region in Guiana, all gold and bounty.	" "	i. 3
His dove will prove, his gold will hold,	" "	i. 3
And so rushing, I warrant you, in silk and gold;	" "	ii. 2
More value than stamps in gold, or sums in sealed bags.	" "	iii. 4
I'll give thee a hundred pound in gold, more than your loss.	" "	iv. 6
For saying so, there's gold:	<i>Twelfth Night,</i>	i. 2
Thou shalt not be the worse for me; there's gold.	" "	v. 1
Not with fond shekels of the tested gold,	<i>Meas. for Meas.</i>	ii. 2
A night-gown * * cloth of gold, and cuts, and laced with silver;	<i>Much Ado.</i>	iii. 4
Tush, fear not, man, we'll tip thy horns with gold,	" "	v. 4
In their gold coats spots you see;	<i>Mid. N. Dream,</i>	ii. 1
Turns into yellow gold his salt-green streams.	" "	iii. 2
One, her hairs were gold, crystal the other's eyes.	<i>Love's L. Lost,</i>	iv. 3
In these three chests of gold, silver, and lead,	<i>Merch. of Ven.</i>	i. 2
Or is your gold and silver, ewes and rams?	" "	i. 3
What gold, and jewels, she is furnished with;	" "	ii. 4
The first, of gold, who this inscription bears:—	" "	ii. 7
Let's see once more this saying graved in gold;	" "	ii. 7
Being ten times undervalued to tried gold?	" "	ii. 7
Never so rich a gem was set in worse than gold.	" "	ii. 7
A coin that bears the figure of an angel stamped in gold;	" "	ii. 7
All that glisters is not gold;	" "	ii. 7
Fortune now to my heart's hope!—Gold, silver, and base lead.	" "	ii. 9
I shall never see my gold again.	" "	iii. 1
Therefore, thou gaudy gold, hard food for Midas,	" "	iii. 2
You shall have gold to pay the petty debt twenty times over;	" "	iii. 2
Is thick inlaid with patines of bright gold.	" "	v. 1
About a hoop of gold, a paltry ring, which she did give me.	" "	v. 1
Beauty provoketh thieves sooner than gold.	<i>As You Like It,</i>	i. 3
Here is the gold; all this I give you.	" "	ii. 3
If he for gold will give us any food;	" "	ii. 4
If that love, or gold, can in this desert place	" "	ii. 4
And buy it with your gold right suddenly.	" "	ii. 4
Take this purse of gold, and let me buy your friendly help.	<i>All's Well.</i>	iii. 7
With well-weighing sums of gold to corrupt him (note.)	" "	iv. 3
The count's a fool, and full of gold,— (letter.)	" "	iv. 3
When he swears oaths, bid him drop gold, (letter.)	" "	iv. 3
I need not ask you, if gold will corrupt him to revolt.	" "	iv. 3
Their harness studded all with gold and pearl.	<i>Taming Shrew, Ind.</i>	
Give him gold enough, and marry him to a puppet,	" "	i. 2
I would not wed her for a mine of gold.	" "	i. 2
My house within the city is richly furnished with plate and gold;	" "	ii. 1
Valance of Venice gold in needlework,	" "	ii. 1
What concerns it you, if I wear pearl and gold?	" "	v. 1
Gold! all gold! This is fairy gold, boy.	<i>Winter's Tale,</i>	iii. 3
Close with him, give him gold;	" "	iv. 3
Yet he is oft led by the nose with gold;	" "	iv. 3
To undertake the business for us, here is that gold I have.	" "	iv. 3
Gold, and a means to do the prince my master good;	" "	iv. 3

Where is the gold I gave in charge to thee?	<i>Comedy of Err.</i>	i.	2
He asked me for a thousand marks in gold.	"	ii.	1
My gold, quoth he: your meat doth burn,	"	ii.	1
The gold I gave to Dromio is laid up safe at the Centaur;	"	ii.	2
You know no Centaur? You received no gold?	"	ii.	2
Home to the Centaur, with the gold you gave me.	"	ii.	2
Villain, thou didst deny the gold's receipt;	"	ii.	2
And charged him with a thousand marks in gold;	"	iii.	1
The fineness of the gold, and chargeful fashion;	"	iv.	1
Master, here's the gold you sent me for.	"	iv.	3
What gold is this? What Adam dost thou mean?	"	iv.	3
And why dost thou deny the bag of gold?	"	iv.	4
And, gentle master, I received no gold;	"	iv.	4
You saw, they speak us fair, give us gold.	"	iv.	4
The meagre, cloddy earth to glittering gold.	<i>King John,</i>	iii.	1
And by the merit of vile gold, dross, dust,	"	iii.	1
When gold and silver beck me to come on.	"	iii.	3
To gild refined gold, to paint the lily.	"	iv.	2
They shall subscribe them for large sums of gold,	<i>Richard II.</i>	i.	4
As thriftless sons their scraping fathers' gold.	"	v.	3
A purse of gold most resolutely snatched on Monday night,	<i>Henry IV.</i>	i.	2
Hath brought three hundred marks with him in gold.	"	ii.	1
Gallants, lads, boys, hearts of gold,	"	ii.	4
Never call a true piece of gold a counterfeit;	"	ii.	4
But I will set you neither in gold nor silver, but in vile apparel,	<i>2 Henry IV.</i>	i.	2
A good heart's worth gold.	"	ii.	4
And learning, a mere hoard of gold kept by a devil;	"	iv.	3
A hoop of gold, to bind thy brothers in;	"	iv.	4
How quickly nature falls into revolt, when gold becomes her object!	"	iv.	4
The cankered heaps of strange-achieved gold;	"	iv.	4
Therefore, thou, best of gold, art worst of gold.	"	iv.	4
The singing masons building roofs of gold;	<i>Henry V.</i>	i.	2
That almost might'st have coined me into gold;	"	ii.	2
For me,—the gold of France did not seduce,	"	ii.	2
The king's a bawcock, and a heart of gold,	"	iv.	1
The inter-tissued robe of gold and pearl,	"	iv.	1
By Jove, I am not covetous for gold;	"	iv.	3
Instead of gold, we'll offer up our arms;	<i>Henry VI.</i>	i.	1
And doth deserve a coronet of gold.	"	iii.	3
England's kings have had large sums of gold, and dowries, with their wives;	<i>2 Henry VI.</i>	i.	1
Put forth thy hand, reach at the glorious gold;	"	i.	2
Hume must make merry with the duchess' gold;	"	i.	2
Dame Eleanor gives gold, to bring the witch;	"	i.	2
Yet have I gold, flies from another coast:	"	i.	2
Sort how it will, I shall have gold for all.	"	i.	2
Are my chests filled up with extorted gold?	"	iv.	7
This hand was made to handle nought but gold;	"	v.	1
That gold must round engirt these brows of mine;	"	v.	1
Give me thy gold, if thou hast any gold;	<i>3 Henry VI.</i>	ii.	5
Wedges of gold, great anchors, heaps of pearl,	<i>Richard III.</i>	i.	4
It made me once restore a purse of gold	"	i.	4
To try if thou be current gold, indeed.	"	iv.	2
Know'st thou not any, whom corrupting gold would tempt?	"	iv.	2
Gold were as good as twenty orators.	"	iv.	2
The French, all clinquant, all in gold like heathen gods,	<i>Henry VIII.</i>	i.	1
But when the way was made, and paved with gold,	"	i.	1
The o'er-great cardinal hath showed him gold:	"	i.	1

I'll hide my silver beard in a gold beaver,	<i>Troilus &amp; Cress.</i>	i.	3
Knows almost every grain of Plutus' gold;	" "	iii.	3
Plutus, the god of gold, is but his steward:	<i>Timon of Athens.</i>	i.	1
If I want gold, steal but a beggar's dog,	" "	ii.	1
Bawds between gold and want!	" "	ii.	2
Whilst I have gold, I'll be his steward still.	" "	iv.	2
What is here? gold? yellow, glittering, precious gold?	" "	iv.	3
I have but little gold of late, brave Timon,	" "	iv.	3
Why, fare thee well; here's some gold for thee.	" "	iv.	3
Put up thy gold. Go on,—here's gold,—go on;	" "	iv.	3
There's gold to pay thy soldiers; make large confusion;	" "	iv.	3
Hast thou gold yet? I'll take the gold thou givest me,	" "	iv.	3
Give us some gold, good Timon.	" "	iv.	3
Well, more gold;—what then?	" "	iv.	3
There's more gold:—do you damn others,	" "	iv.	3
If thou wilt, tell them there I have gold.	" "	iv.	3
But not till I am dead! I'll say—thou hast gold;	" "	iv.	3
Where should he have this gold?	" "	iv.	3
The mere want of gold, * * drove him into this melancholy.	" "	iv.	3
Rascal thieves, here's gold.	" "	iv.	3
There's more gold. Cut throats; all that you meet are			
thieves.	" "	iv.	3
And gold confound you howsoever!	" "	iv.	3
Believe't that we'll do any thing for gold.	" "	iv.	3
Does the rumor hold for true, that he is so full of gold?	" "	v.	1
Phrynia and Tymandra had gold of him;	" "	v.	1
Do so, I have gold for thee.	" "	v.	1
What a god's gold, that he is worshipped in a baser temple.	" "	v.	1
You have heard that I have gold; I am sure you have.	" "	v.	1
I'll give you gold, rid me these villains	" "	v.	1
And come to me, I'll give you gold enough.	" "	v.	1
Hence! pack! there's gold; ye came for gold, ye slaves.	" "	v.	1
Hence! you are an alchymist, make gold of that.	" "	v.	1
For all the chests in Corioli, and the gold that's in them.	<i>Coriolanus,</i>	ii.	1
I tell you he does sit in gold,	" "	v.	1
He shall but bear them as the ass bears gold.	<i>Julius Cæsar,</i>	iv.	1
To sell and mart your offices for gold, to undeservers.	" "	iv.	3
For certain sums of gold, which you denied me;—	" "	iv.	3
I did send to you for gold to pay my legions,	" "	iv.	3
Dearer than Plutus' mine, richer than gold.	" "	iv.	3
I, that denied thee gold, will give my heart.	" "	iv.	3
The poop was beaten gold; purple the sails,	<i>Antony &amp; Cleo.</i>	ii.	2
She did lie in her pavilion, (cloth of gold, of tissue.)	" "	ii.	2
There is gold, and here my bluest veins to kiss;	" "	ii.	5
Why, there's more gold. But, sirrah, mark:	" "	ii.	5
The gold I give thee will I melt, and pour down	" "	ii.	5
I'll set thee in a shower of gold, and hail rich pearls upon thee.	" "	ii.	5
There is gold for thee. Thou must not take	" "	iii.	3
In chairs of gold were publicly enthroned.	" "	iii.	6
I have a ship laden with gold; take that, divide it;	" "	iii.	9
When my turpitude thou dost so crown with gold!	" "	iv.	6
I'll give thee, friend, an armor all of gold;	" "	iv.	8
I will wage against your gold, gold to it:	<i>Cymbeline,</i>	i.	5
This your jewel, and my gold are yours:—	" "	i.	5
I will fetch my gold, and have our two wagers recorded.	" "	i.	5
That play with all infirmities for gold,	" "	i.	7
If I could get this foolish Imogen, I should have gold			
enough.	" "	ii.	3
'Tis gold which buys admittance; oft it doth;	" "	ii.	3

'Tis gold which makes the true man killed, and saves the thief;			
There's gold for you; sell me your good report.	<i>Cymbeline,</i>	ii.	3
I should have lost the worth of it in gold.	"	ii.	3
Nor would not, though I had found gold strewed i' the floor.	"	ii.	4
All gold and silver rather turn to dirt!	"	iii.	6
And wagered with him pieces of gold,	"	iii.	6
I will be bright, and shine in pearl and gold,	"	v.	5
I would not for a million of gold, the cause were known.	<i>Titus Andron.</i>	ii.	1
To bury so much gold under a tree, and never after to inherit it.	" "	ii.	1
Know, that this gold must coin a stratagem;	" "	ii.	3
And so repose, sweet gold, for their unrest,	" "	ii.	3
My gracious lord, here is the bag of gold.	" "	ii.	4
Go pack with him, and give the mother gold,	" "	iv.	2
And had the gold within the letter mentioned,	" "	v.	1
Thaliard, behold, here's poison, and here's gold.	<i>Pericles,</i>	i.	1
Holding out gold, that's by the touchstone tried;	"	ii.	2
If the sea's stomach be o'ercharged with gold,	"	iii.	2
Begin to part their fringes of bright gold;	"	iii.	2
He will line your apron with gold.	"	iv.	6
Hold, here's gold for thee; persevere still in that clear way.	"	iv.	6
That for our gold we may provision have,	"	v.	1
And give you gold for such provision as our intents will need?	"	v.	2
When usurers tell their gold i' the field;	<i>King Lear,</i>	iii.	2
Plate sin with gold, and the strong lance of justice hurtless breaks;	" "	iv.	6
That in gold clasps locks in the golden story;	<i>Romeo &amp; Juliet,</i>	i.	3
Because musicians have seldom gold for sounding:	" "	iv.	5
There is thy gold, worse poison to men's souls,	" "	v.	1
For I will raise her statue in pure gold;	" "	v.	3
Your voice, like a piece of uncurrent gold,	<i>Hamlet,</i>	ii.	2
Never lacked gold, and yet went never gay;	<i>Othello,</i>	ii.	1
There's a poor piece of gold for thee;	"	iii.	1
Of gold and jewels that I bobbed from him,	"	v.	1

## SILVER.

Not a holiday fool there but would give a piece of silver;	<i>Tempest,</i>	ii.	2
Silver! there it goes, silver!	"	iv.	1
And seven hundred pounds of moneys, and gold, and silver,	<i>Merry Wives.</i>	i.	1
Cut with her cloven oars the silver stream,	<i>Much Ado.</i>	iii.	1
Cloth of gold, and cuts, and laced with silver;	" "	iii.	4
And then the moon, like to a silver bow now-bent in heaven,	<i>Mid. N. Dream,</i>	i.	1
Her silver visage in the watery glass,	" "	i.	1
Nor shines the silver moon one half so bright	<i>Love's L. Lost,</i>	iv.	3
In three chests of gold, silver, and lead,	<i>Merch. of Ven.</i>	i.	2
Or is your gold and silver, ewes and rams?	" "	i.	3
The second, silver, which this promise carries;—	" "	ii.	7
What says the silver, with her virgin hue?	" "	ii.	7
Or shall I think, in silver she's immured,	" "	ii.	7
Why, then to thee, thou silver treasure-house!	" "	ii.	9
How silver made it good at the hedge corner,	<i>Taming Shrew,</i>	i.	?
Let one attend him with a silver basin,	" "	i.	?
Spread o'er the silver waves thy golden hairs,	<i>Comedy of Err.</i>	iii.	2
His silver skin laced with his golden blood;	<i>Macbeth,</i>	ii.	3
Unless thou let his silver water keep a peaceful progress	<i>King John,</i>	ii.	2



Their armors, that marched hence so silver-bright.  
 O, two such silver currents, when they join,  
 When gold and silver becks me to come on.  
 Where but by chance a silver drop hath fallen,  
 This precious stone set in the silver sea,  
 Which makes the silver rivers drown their shores,  
 Thou sheer, immaculate, and silver fountain,  
 And here the smug and silver Trent shall run,  
 But I will set you neither in gold nor silver,  
 Whose beard the silver hand of peace hath touched,  
 Your fathers taken by the silver beards;  
 Whose filth and dirt troubles the silver spring  
 Old Salisbury.—shame to thy silver hair,  
 The silver livery of advised age;  
 As venerable Nestor, hatched in silver,  
 I'll hide my silver beard in a gold beaver,  
 Four milk-white horses, trapped in silver.  
 I dreamt of a silver basin and ewer to-night.  
 But Timon's silver treads upon his lip;  
 A murrain on't! I took this for silver.  
 For his silver hairs will purchase us a good opinion,  
 The oars were silver which to the tune of flutes  
 It was hanged with tapestry of silk and silver;  
 Her andirons were two winking Cupids of silver,  
 All gold and silver rather turn to dirt!  
 Rent off thy silver hair, thy other hand  
 Do't, and be happy, by my silver bow.  
 Who, O goddess, wears yet thy silver livery.  
 That tips with silver all these fruit-tree tops,—  
 How silver-sweet sound lovers' tongues by night,  
 Then music, with her silver sound,—

*King John*, ii. 2  
 " " ii. 2  
 " " iii. 3  
 " " iii. 4  
*Richard II.* ii. 1  
 " " iii. 2  
 " " v. 3  
 1 *Henry IV.* iii. 1  
 2 *Henry IV.* i. 1  
 " " iv. 1  
 1 *Henry V.* iii. 3  
 2 *Henry VI.* iv. 1  
 " " v. 1  
 " " v. 2  
*Troilus & Cres.* i. 3  
 " " i. 3  
*Timon of Athens*, i. 2  
 " " iii. 1  
 " " iii. 2  
*Coriolanus*, i. 5  
*Julius Cesar*, ii. 1  
*Antony & Cleo.* ii. 2  
*Cymbeline*, ii. 4  
 " " ii. 4  
 " " iii. 6  
*Titus Andron.* iii. 1  
*Pericles*, v. 2  
 " " v. 3  
*Romeo & Juliet*, ii. 2  
 " " ii. 2  
 " " iv. 5

## BRASS.

When it deserves with characters of brass a fortified residence,  
 Can any face of brass hold longer out?  
 Powter, and brass, and all things that belong to house,  
 But since nor brass, nor stone, nor parchment, bears not one,  
 As if this flesh, which walls about our life, were brass  
 impregnable;  
 Through the portage of the head, like the brass cannon;  
 Shall witness live in brass of this day's work.  
 Brass, cur! thou damned and luxurious mountain goat  
 Men's evil manners live in brass; their virtues we write in  
 water.  
 And the hand of Greece should hold high up in brass;  
 Trumpet, blow loud, send thy brass voice through all these  
 lazy tents.  
 Nor strong tower, nor walls of beaten brass,  
 Let it alone; and, come, I will go get a leaf of brass,  
 Bind them in brass, having called them from the deep!

*Meas. for Meas.* v. 1  
*Love's L. Lost*, v. 2  
*Taming Shrew*, ii. 1  
*Winter's Tale*, i. 2  
*Richard II.* iii. 2  
*Henry V.* iii. 1  
 " " iv. 3  
 " " iv. 4  
*Henry VIII.* iv. 2  
*Troilus & Cres.* i. 3  
 " " i. 3  
*Julius Cesar*, i. 3  
*Titus Andron.* iv. 1  
*Pericles*, iii. 1

## COPPER.

If so, our copper buys no better treasure.  
 I know not how oft, that that ring was copper.  
 Yea; if he said my ring was copper. I say 't is copper.  
 Had commended Troilus for a copper nose.  
 Whilst some with cunning gild their copper crowns,

*Love's L. Lost*, iv. 3  
 1 *Henry IV.* iii. 3  
 " " iii. 3  
*Troilus & Cres.* i. 2  
 " " iv. 4

## COINS, COINAGE, AND BULLION.

*From the London Athenæum, Dec, 17th, 1853.*

*The Coinage of the British Empire : an Outline of the Progress of the Coinage in Great Britain and her Dependencies.* By Henry Noel Humphreys. Cooke.

THE literature of English Numismatics has not as yet been fortunate. No one disputes that coins are valuable monuments of history and art,—Mionnet terms the study of them “*une magnifique branche d'Archéologie*,” and the public at large testify to the general desire to understand their history and meaning, by readily purchasing any book which professes to treat of them in a simple and elementary way. In spite of these incentives—the interest of the study and the certainty of adequate reward—the books published in this country on English numismatical subjects are any thing but satisfactory. We would not be understood to deny the great merit of many separate papers on coins scattered about in Encyclopædias, Transactions of Societies, and in various other publications,—papers which fully testify to the existence of sound numismatic knowledge in many of our antiquarian scholars: our meaning is, that the ordinary and popular books both on the general subject and on certain special branches of it, are full of inaccuracies; that they abound in wild and fanciful conjectures and theories; that they are written by men who possess no spark of a proper critical spirit, men with whom assumption passes for argument, and speculation for proof; and that this branch of literature is consequently susceptible of very great improvement. We could make this fact a great deal more palpable by a few references to some of our best puffed numismatic books; but it is not our desire to censure particular authors. We merely wish to draw attention to an obvious and unquestionable literary fact, and we trust that in doing so we are leading the way to a remedy.

Some little understanding of this state of things seems to have led Mr. Humphreys into the walk of numismatic literature, and the ready sale of his previous work has encouraged him to proceed. When he set up as a numismatic author, he exhibited evident tokens that his subject was one of comparative novelty to him. Even now he has a great deal to learn; but he improves as he proceeds, and if he perseveres he may attain to much better things. He may even hereafter be able to do a good deal towards supplying the want to which we have alluded. But if he desire to do so, he must begin by endeavoring to think for himself. The first task we would recommend to him is a thorough reëxamination of the speculations of Sir William Betham. Until a writer has sufficiently mastered this subject to be able to perceive the visionary character of the Phœnician theories, we can have little hope of him.

Another point towards which we would direct the attention of Mr. Humphreys is, greater care and accuracy in reference to the legends on the mediæval coins. We have been surprised to notice how extremely

incorrect are his translations of many of them. For example: There is a beautiful gold coin, a Royal, coined by Edward the Black Prince at Bordeaux, which is ordinarily known by the name of the Black Prince's "Pavilion," from the circumstance that the Prince is represented on the obverse standing under a Gothic canopy or pavilion. On the reverse is the following legend: DNS. AIUTO. Z. PTECO. ME. Z. I IPO SPAVIT. COR. MEVM. The meaning of these words is obvious, and would probably be made still clearer if the marks of contraction, which we doubt not are upon the coin, to which we have not an opportunity of referring, were taken into account. We read the words thus: "Dominus adjutor et protector meus, et in ipso speravit cor meum;" words derived from the Vulgate, Psalm xxvii. 7, where we find "Dominus adjutor meus, et protector meus: in ipso speravit cor meum," which is translated in the Prayer-book version, Psalm xxviii. 8, "The Lord is my strength, and my shield; my heart hath trusted in him." Mr. Humphreys reads DNS. AIUTO. PTECO. ME. IPO. SPAVI. COR. MEVM. and adds the following explanation: "Reading the IPO as Greek letters which were occasionally very capriciously used in mediæval inscriptions, this inscription appears to be, 'Dominus protector adjutor prostravi cor meum,'—'Lord, my protector and help, I have prostrated my heart to Thee.'" Regretting the Greek learning here thrown away and totally dissenting both from the doctrine of caprice and the accuracy of the translation, we pass on.

The translation of the motto of the Order of the Thistle, will, we fear, constitute another "Scottish grievance,"—"Diligite justitiam: Hasten justice," and "Decus et Tutamen: Ornamental and useful," are not renderings that will satisfy every one. Nor will "Florent concordia regni," "Parcere subjectus et debellare superbos," "Sit nomen Domini benedictus," and many other things of that kind, pass muster generally. The Middle Ages were, no doubt, dark enough in many respects; but we rather fancy that the men who furnished legends for minted money knew as much of the Latin grammar as some of our modern numismatists.

"Coynes," we are told by one of our antiquarian forefathers, were so called from "Coynobeline," king of the Britons, whose name stands upon many of his presumed British types in the form of CVNO. We will not ask our readers to believe this bold attempt at etymology, and of late years Mr. Birch, of the British Museum, has even deposed Cunobeline from his old supremacy by assigning the priority with good grounds to another and still lighter historical shadow—Tasciovanus. Heads of these dim heroes, some clearly symbolical, whilst others look as if intended for portraits, are the chief adornments of the presumed *early British series*, which extends to some seventy or eighty coins of different types, in gold, in silver, and in brass. The origin of this coinage, the derivation of its earliest types, the period of time to which it is to be attributed, whether it is altogether British, or, as the French antiquaries assert, altogether Gaulish, or whether truth lies between the claims of the contending numismatists, are all subjects which deserve a great deal more

attention than has been bestowed upon them. Mr. Humphreys so far as he speaks at all upon any of these points is a mere echo.

The *Roman-British series* contains coins which make mention of Britain, and those which are thought to have been minted in Britain. Both form parts of the noble Imperial series, which Gibbon remarked, would perpetuate the glories of the Roman Empire, if all other historical monuments had disappeared. These coins have in consequence shared the attention of some of the greatest masters of Numismatics,—but even amongst these coins, and especially amongst the coins indicated by L., which may mean London or Lyons, and those marked RSR., letters which no one has yet satisfactorily explained, there remain many uncleared difficulties and doubts to reward the application of knowledge and sound criticism. The whole history of the coins of Carausius and Allectus needs reconsideration as a separate and, to English numismatists, a most important subject.

The *Anglo-Saxon series* presents a very different character of type from the Roman. Its rude figures may perhaps be imitations, or rather, they may have been an attempt at imitation, but the extent to which they were so is taken for granted among numismatists, rather than proved; and, certainly, there are barbaric ornaments about them which cannot be explained by any supposed imitation of the coins of the Lower Empire. Large “finds,” within the last few years, have put this portion of our numismatic series in a very different position from what it formerly occupied, and call for a corresponding alteration in our general literature. The Saxons, it is known, besides their silver *Sceatta* and *Penny*, had a copper coinage of *Stycas*, which was the only copper money struck in England anterior to Elizabeth. The silver penny was first coined about A.D. 750, and the series runs from thence to the Norman Conquest, in a great variety of types. There were also *half-pennies* of some of the Saxon kings. The number of coins of the Anglo-Saxon period is very great; and every intelligent reader of Mr. Humphreys, or any other numismatic writer, must find himself beset with difficulties at every turn. The whole subject of the Anglo-Saxon coinage wants thorough revision. We recommend it to attention, as a theme worthy of the highest antiquarian skill. Materials are abundant; the valuable labors of Mr. Hawkins have greatly facilitated arrangement; and any one who would treat the theme in a large and learned spirit, would be sure of his reward. We have a body called the Numismatic Society; but, like other small bodies, it is powerless for good. The compilation of a complete catalogue of all the various types of Anglo-Saxon coins, with illustrations, would well become the Society of Antiquaries; and to undertake it, would be an evidence of the regeneration, which, we trust, is about to take place in that Society, under its new constitution.

With William the Conqueror we enter upon our series of *Modern English coins*, which is allowed to be one of great curiosity and completeness. The Conqueror did not shock his new subjects by any alteration in their current money. His coins, and those of his successors up to Edward the First, are of an entirely Anglo-Saxon character. The head of the monarch, with the title of *Rex Anglorum*, on the one side,

and a cross, with the names of the minters, and the city in which they were coined, on the other. Of Richard the First and John there are no English coins. Henry the Third first introduced the distinguishing numerals "III." on his coins: he also resumed the coinage of silver half-pennies, and coined silver farthings; and was the first to attempt a coinage of gold, in certain little golden pennies, which are of extreme rarity. Edward the Third was the great improver of the coinage. He first coined silver groats and half-groats for general use. This was a great advance; but he went further, and made his reign a memorable era in the history of our coinage, by two issues of gold. In 1344, he sent forth a gold *Florin*, value 6s., with its accompanying half and quarter-florin; and immediately afterwards, in consequence of some failure in calculation as to the value of the Florin, a coin called a *Noble*, of the value of 6s. 8d., with its similar half and quarter. The Florin was named from its similarity to a coin of Florence. The origin of the name *noble* is a puzzle. The chief device is a ship, with the king standing in it, full armed and sword in hand. Whether this symbol asserts the dominion of the sea, and commemorates a naval victory,—or whether the ship is the revival of a Roman emblem for the State, the learned must declare. On the coins of Edward the Third first appeared the *Dei Gratia*, of which we have lately heard so much. In them the king's title first stands full-blown,—*Rex Angliæ et Franciæ et Dominus Hiberniæ*. In this reign, too, first appeared Latin mottoes on the coins, chiefly from the Vulgate, which long continued in use. One of them, which was originally impressed on the Groat, and afterwards on the Angel,—*POSUI DEUM ADJUTOREM MEUM*,—was frequently a subject for the witlings. Camden gives us an example, which applies to the time when this motto was on the Angel. A rude scholar, he tells us, procured a Fellowship in a college very improperly; and, on being called to account, protested solemnly, on his faith and honesty, that he came in by *Posui Deum adjutorem meum*. "And no marvel," adds Camden, drily, "for some are said to have higher place by mediation and help of Angels." Another of these mottoes was, "*Jesus autem transiens per medium illorum ibat.*" (St. Luc. iv. 30.) It was known that the king had been trying a variety of experiments in his mint, and it was profoundly argued that this inscription was an intimation that, as Jesus passed invisible, and in secret manner, through the midst of the Nazarenes, so the gold of which this coin was an example, had been made by some invisible and secret art; or, in other words, by the art alchemical of Raymond Lully, in the Tower of London. Whether that was actually the case or not, might perhaps be doubted; but no body doubted, in those days, that these words, and consequently the possession of this coin, constituted a certain charm against all the perils of war.

Richard the Second and the three Henrys followed quietly in the wake of Edward the Third; but Edward the Fourth introduced the *Angel*, a coin of gold, so called from the device of St. Michael standing upon the dragon, and piercing him with a spear.

Richard the Third added no new piece to the coinage; but his successor, Henry the Seventh, is remembered among numismatists as the

introducer of two of our best-known modern coins. The *Royal* was now the name given to the Noble, which had risen in value to 10s. Henry the Seventh struck a double-royal, and termed the new coin a *Sovereign*. Another of his coins was the triple-groat, or *Shilling*, introduced in 1504. The Shilling had long been a name of account, but did not until now appear in the coinage. The coinage of Henry the Eighth presents us with the first appearance, on coins, of heraldic supporters to the royal arms, which are found on the reverse of his *Sovereign*. Now also appeared St. George instead of St. Michael, in combat with the dragon, on what was consequently termed, not the Angel, but the *George-noble*. Henry the Eighth's *broad-faced groat* was long remembered. The bluff full-face became popular, and was used as a sign for Inns. There was a Broad-face Inn until very lately in Reading.

Henry the Eighth left the coinage in a miserable state of depreciation, as may be judged by the following story. The silver coins were corrupted by so powerful an admixture of copper, that the tint of the copper spread like a tarnish over the whole coin. "Parson Brocke," who had the discredit of being the principal deviser of this mode of depreciation, chanced, as we are told, to meet a Sir John Rainsford. Sir John turned quickly upon the reverend gentleman, and threatened, from sheer loyalty, to break his head. "Why so?" "Why! for that he had made his *Sovereign Lord*, the most beautiful Prince King Henry, to appear with a red and copper nose!"

In spite of the bold remonstrances of Latimer, properly referred to by Mr. Humphreys, little was done to amend the depreciation during the reign of Edward the Sixth. The reign of Mary was a retrogression in every thing. The double rose of Henry the Seventh was re-produced on the *Sovereign*; St. Michael reappeared, *vice* St. George, on the Angel; and her majesty was placed standing, with a drawn sword, in a ship of war,—a device, historically as inaccurate as that which Butler celebrates:

"Still amorous, fond, and billing,  
Like Philip and Mary on a shilling."

Elizabeth reformed the coinage effectually. She restored the money to its true value, and improved its manufacture by the introduction of the screw-press in lieu of the old-fashioned hammer. She also introduced into Ireland a coinage of *copper pence and half-pence*; and was preparing to extend the same to England, when death removed her.

We have thus, in haste, shown something of the nature of this subject, and exhibited a few of the infinite variety of interesting points with which it abounds. Mr. Humphreys' book will supply other illustrations. It has many faults; but, in the present state of our literature, we do not know any other volume we could recommend as a popular manual in its place. The engraved illustrations, with the coins printed in silver, gold, and copper color, are excellent.

## THE SUPPRESSION OF COUNTERFEITING.

*First Annual Report of the Board of Managers of the Association of Banks, for the Suppression of Counterfeiting. Boston. 1854.*

[THE importance of this subject to bankers has induced us to republish entire the following Report. The managers have taken hold of the matter in earnest, and it is believed that important advantages to banking men as well as to the whole community will arise from a free discussion of the modes of counterfeiting and the best means for its prevention. Massachusetts has set a good example by making a liberal appropriation towards the objects of the association.—  
ED. B. M.]

Agreeably to the following call, a convention of the Banks of Massachusetts was held in Boston, February 9th, 1853.

Boston, January 10, 1853.

SIR: It is believed that there are, at present, more persons engaged in counterfeiting and altering bank bills, than at any former period.

As public institutions, it seems to be the duty of the banks to avail of whatever means may be in their power, to check, if not entirely to prevent an evil, alike detrimental to their interests, as well as that of the community. To aid this object, the Legislature of last year passed the following liberal resolve:

"That a sum, not exceeding two thousand five hundred dollars, be granted and paid annually, for the period of five years, after the passage of this resolve, out of the treasury of the Commonwealth, to any association of officers of the banks in this Commonwealth, for the purpose of the prevention and detection of the crimes of making or tendering in payment as true, counterfeit bank-bills, or counterfeit gold and silver coins; and that the Governor be authorized to draw his warrant accordingly, from time to time, for such sums, not exceeding two thousand five hundred dollars in each year, as shall be equal to half of the sum which such Association shall certify and prove to the government to have been raised and judiciously expended by such Association, for the purposes above specified." Approved May 18, 1852.

Under such circumstances, it has been deemed advisable to call a meeting, at which every bank in the Commonwealth might be represented by a delegate, appointed by the directors; the object being to form a NEW ORGANIZATION, and appoint such officers and agents as may be deemed competent, at least, to remedy a great public evil.

We, therefore, respectfully invite your attention to this subject, and should the object commend itself to the judgment of your board of directors, please advise of your assent and of your intention to send a delegate. If otherwise, please advise of your dissent: address, in either case, Geo. W. Crockett.

It is assumed that the ordinary expenses will not exceed three thousand dollars per annum, one half of which, according to the resolve, will be paid by the Commonwealth. If all the banks should unite in the arrangement, each paying in proportion to its capital stock, the amount would seem to be very small, compared with the good results which may be anticipated.



The meeting will be holden in Boston, on Wednesday, the 9th day of February next, at 12 o'clock, at 41 State street.

Geo. W. Crockett, *Pres. Bank of North America.*

Edw. C. Bates, *Pres. Bank of Commerce.*

Jas. W. Baldwin, *Pres. Faneuil Hall Bank.*

John Gardner, *Pres. Shawmut Bank.*

H. M. Holbrook, *Pres. Granite Bank.*

At this meeting Alexander De Witt, of Worcester, was chosen *Chairman*, and George Ripley, of Greenfield, *Secretary*. Sixty-one banks were represented in the convention. The meeting proceeded to adopt the articles of association—of which a copy has been sent to each bank in the State.

A material and desirable modification of the government of the previous association was made, by admitting to the government, as vested in the board of managers, the banks out of the city, upon the basis named below, thereby rendering the organization better adapted to the numerous institutions now existing in the Commonwealth. A board of managers, consisting of fifteen, five from the banks in Boston, and ten from the banks out of Boston, were duly chosen, as follows :

GEORGE W. CROCKETT, President of the Bank of North America, Boston ; HENRY M. HOLBROOK, President Granite Bank, Boston ; JAMES M. GORDON, Cashier Columbian Bank, Boston ; GEORGE W. THAYER, President Exchange Bank, Boston ; WILLIAM H. FOSTER, Cashier Bank of Commerce, Boston ; WM. HYDE, Cashier Hampshire Manufacturers' Bank, Ware ; CHESTER W. CHAPIN, Agawam Bank, Springfield ; HENRY W. CUSHMAN, President Franklin Co. Bank, Greenfield ; ALEXANDER DE WITT, Pres. Mechanics' Bank, Worcester ; MOSES WOOD, Pres. Rollstone Bank, Fitchburg ; JAMES G. CARNEY, Lowell Bank, Lowell ; L. BALDWIN, Cashier Bank of Brighton, Brighton ; J. B. CONGDON, Cashier Merchants' Bank, New-Bedford ; CHARLES B. HALL, Merrimack Bank, Haverhill ; JOSEPH S. CABOT, Asiatic Bank, Salem.

This board was subsequently organized, by the choice of George W. Crockett, *Chairman*, and James M. Gordon, *Secretary*, and an Executive Committee of five, namely, William H. Foster, Henry M. Holbrook, and James M. Gordon, of Boston ; James G. Carney, of Lowell, and William Hyde, of Ware. A code of rules was adopted, and a copy of the same sent to the members of the association. [The articles of association and code of rules are appended to this report.]

At the next meeting of the board, an assessment of \$5 on each \$100,000 of capital stock, was laid upon the banks.

Circulars were now sent to all the banks in the Commonwealth, reinviting their coöperation, and requesting the payment of the assessment. Ninety-nine out of the hundred and thirty-six institutions then in operation, became members of the association. For various reasons the remainder did not respond favorably. The committee fear that the refusal was occasioned by a misapprehension of the nature or objects of the association ; but it is hoped that its usefulness the present year, as



herein shown, will lead them, in future, to yield their desirable coöperation.

The banks of the principal cities and larger towns out of the State, in New-England, were also invited to join the association. Eleven only became members. An effort should be made, the coming year, to extend a more general invitation to these banks. No pains should be spared to unite all the banks of New-England against the common enemy, as it is only by energetic and united action on the part of all the banks, that any considerable *check* upon the counterfeiting business can be maintained, to say nothing of its *suppression*.

The board of managers have held seven meetings, at which reports of the doings of the executive committee have been presented, considered, and approved, and a general direction given to the affairs of the association.

The executive committee have performed the more active duties. A statement of some of the transactions occurring during the year, will show the nature of these duties, and at the same time, the extent of their operations.

Early in June, information was received that a manufacturing company, called the Little Androscoggin Company, located opposite Lewiston Falls, in the State of Maine, had employed a well-known bank-note engraving establishment of this city, to engrave a large quantity of notes, of the customary denominations, and in the same style as ordinary bank notes. It was ascertained that they claimed the right of issuing bills, under a special clause in their charter, and having satisfied the scruples of the engraver, with a properly attested copy of the same, the bills were printed, and were shortly to be delivered to the agent of the company. Steps were now taken to prevent the delivery of the bills, and to ascertain the nature of the clause in the company's charter. The Secretary of that State denied any intention of the Legislature to grant banking privileges, although the clause, of which the following is a copy, might be so construed.

"The business of said company shall be managed by a board of directors, and in the absence of a majority of said board, by the president and treasurer. And said board of directors, or president and treasurer, shall have power to create, and discharge in the name of the company, notes, bills, and other evidences of debt, for the use and purposes of said company."

It being apparent that bills issued upon so questionable authority, would be considered spurious, and occasion loss to the holders, and create prejudice against our paper currency, the engravers were urged to suppress them. This was finally done by them, but not without claiming of the association a partial remuneration, for the expense of engraving dies, and for paper and printing.

This has not been granted although we think the New-England Bank Note Company, the engravers referred to, highly deserving of consideration, by the banks in New-England, for their correct and manly course, when their suspicions became excited as to the questionable character of

the undertaking. They had, at considerable cost of time and money, prepared dies for these bills, furnished paper, and printed a large amount of them, and they could reasonably expect to print, from time to time, a further and large number of impressions; and although it may be said, that the very wording of the clause, as recited, should excite suspicion in the mind of a bank-note engraver in Massachusetts, it must also be borne in mind that, in some of the States, various kinds of corporations exercise the right of issuing bills resembling bank bills, and that an engraver, called upon to do such a thing, the parties apparently respectable, from a neighboring State, might, under the circumstances, consider himself reasonably well justified in proceeding to comply with their wishes.

It is evident, we think, that the dies were prepared, and the bills printed, in good faith, by the New-England Bank Note Company; that they would not have been prepared, if their suspicions had been aroused at the commencement; and that they have been, in a very praiseworthy and manly manner, suppressed, at a loss to themselves, upon a belief that that was the best course for the community, and the honest one for themselves. This association of banks, formed for the protection of their customers, the community, and themselves, against the circulation of altered, counterfeit, and fraudulent issues of currency, would, therefore, cordially recommend to the patronage of the banks of New-England, the New-England Bank Note Company, of Boston, hoping that by an increased patronage on their part, any loss which the company may have suffered, by their noble conduct in the present instance, may be made up to them fourfold.

At a session of the Legislature of Maine, since the occurrence of the foregoing, the subject was brought before that body, upon a motion to repeal the charter of the company. Its friends, in order to retain the charter, offered to give up the objectionable clause, and denied that they had attempted to issue bills. In reply, the bills were produced, and having been read and held up to the view of the members, the immediate repeal of the entire charter was carried, without a dissenting voice. The matter has been presented in detail, in the belief that it affords a note of warning, worthy the attention of the banks.

To facilitate, if possible, the operations of the association, against the manufacturers and utterers of bank notes, and other spurious money, the following rewards were offered:

"The Association of Banks for the Suppression of Counterfeiting, will pay to the person who shall furnish information which shall lead to the conviction and sentence of the parties herein mentioned, the following sums, to wit: A REWARD OF TWO HUNDRED AND FIFTY DOLLARS for each person convicted and sentenced for engraving a plate or plates for counterfeit bank bills, or dies for altering bank bills; and a REWARD OF TWENTY-FIVE DOLLARS for each person convicted and sentenced for uttering or passing counterfeit bank bills, said sums to be paid upon the presentation of the certificate of the Judge or the prosecuting officer of the Court where such conviction shall be obtained: provided said counterfeits are on the banks in New-England. Suitable rewards will also be paid for the conviction and sentence of the makers of counterfeit coin, or of dies for the same, and for the utterers of such coin.

"BOSTON, August 1, 1853."

The effect of the offer of rewards has more than realized the hopes of the managers. A large number of "utterers" have been arrested, some of whom have been convicted and sentenced, and a number remain under arrest. Our operations have been extended all over New-England, with several cases in New-York city and State, a few in the British Provinces, and one at Chicago, Illinois. A number of arrests have been made by order of the association, and in some instances, of persons very notorious in this business. Arrests otherwise made, have been reported to the secretary, and are prosecuted under the direction of the executive committee. The whole number arrested, thus far, is fifty. Of this number, fourteen have been convicted, and sentenced, and thirty-one are in jail, or under bonds. Five have been released, for want of proof.

A number of new counterfeits have appeared during the year; and of altered bills, a great variety. Of the new counterfeits, the managers would specify as a dangerous one, a five of the Casco Bank, Portland. This bill was a good imitation of the original, engraved by Draper, Toppan, Casilear & Co., New-York, whose work is of the first order. Pretty tangible information warrants the statement, that not less than fifty thousand dollars of this money was placed in the hands of thirty or forty utterers, who, having taken positions in the cities and towns most favorably situated for the purpose, commenced their operations in concert; and a large amount of the money was without doubt, palmed upon the public. Ten of the above persons were arrested, with the money, in large sums, in their possession. The Casco Bank has withdrawn the counterfeited bill from circulation.

Other counterfeits, also, which need not be particularized, have been freely circulated, and large amounts of the money have been found upon the persons arrested for uttering the same. A remarkable activity seems to have prevailed during the year, in the production of new counterfeits; and the number of persons engaged in defrauding the community, by means of them, was never greater. Women have been enlisted, as less likely to excite suspicion, and more able to command sympathy, in case of detection. Taking into view the great number and variety of agencies employed, it is very probable that the loss occasioned by them is far greater than the amount made public. Such control of the evil, however, as may pertain to this association, should be exercised with undeviating perseverance.

It is supposed that the counterfeits of the New-England bank bills are manufactured chiefly in Canada. Two or three establishments have been named, as conducting the business on an extensive scale. The engraving and printing are carried on with much secrecy; and the money, it is said, is sold to the utterers in the night, the persons selling it not being seen. The immunity from arrest and prosecution, so long enjoyed in that region, has tended to make it a favorite location for this business. Persons professing to be able to act effectively against the makers, or "snaggers," as they are called, have been employed to some extent, but without accomplishing anything material. The association will not, however, lose sight of the necessity of endeavors to abate at its source, the evil in question.

The board had occasion, recently, to issue a letter stating some of the difficulties encountered in the prosecution of "utterers," and as this report may fall into the hands of many whom the letter did not reach, the substance of it will be repeated.

"The principal form of opposition with which we have had to contend, has been exercised by persons, from whom, on account of their official positions, we should expect, for our operations, a ready and honest support. But, to our surprise, their conduct has been quite the reverse. Upon the arrest of parties, they have, secretly, exercised an influence to procure for the criminals either an important mitigation of the term of punishment, or their entire release, and upon terms directly at variance with justice. They are doubtless prompted to this course by the friends of the criminals, who are extremely vigilant when any of the 'fraternity' are threatened with conviction, and who withhold no *means* or efforts to effect their escape. While the information received has been sufficient to corroborate the statement given above, it has not been of a character to warrant legal proceedings, even if they were desirable. It has, however, shown that men in official positions can not always be relied upon, and consequently the necessity arises of recommending to the members generally, a more active participation in our operations, in order to prevent the repetition of such unjust proceedings. To do this, it is requested, when arrests for counterfeiting occur in the vicinity of any bank belonging to the association, that the bank indicate, as far as possible, the direction of the prosecution of the parties, from the preliminary examination down to the conviction and sentence; and when by reason of other engagements this can not be done, notice should be given to the secretary, who will take the necessary steps in the matter. The exercise of such jurisdiction will do much to counteract the difficulty to which reference has been made.

"We have suffered much hindrance from the pretended disclosures of arrested counterfeiters. Immediately upon their being arrested, they propose to inform the authorities of the residence or factories of the original makers and venders of the base money; and this is often done with such minuteness of detail, in the description of persons and places, as to give to the disclosure the appearance of considerable importance; but we have to say that whenever the information has related to Canada, it has proved to be *valueless*. We would, therefore, warn our friends to beware of making promises of favor upon propositions to disclose. The class known as 'utterers,' are generally quite ignorant of the secrets of the makers and venders, and should almost always be dealt with so as to secure their conviction as speedily as possible, as this, at present, seems to be the only available manner of suppressing this wide-spread crime."

That the extent of the business of counterfeiting and altering bank-notes may be better understood, the following facts have been taken from Willis & Co.'s Bank Note List and Counterfeit Detector, for December last:

"Counterfeits of long standing, or very poor ones, are not continued in the list; those only are retained which are current, though appearing but at intervals. The

whole number of counterfeits, including altered, or notes raised from one to ten, &c., and alterations of bills of broken to bills of good banks, for New-England, is eight hundred and eighty-seven; on the banks of Massachusetts, two hundred and eighty; on the banks in Boston, seventy-eight; and on the banks in Providence, the large number of one hundred and thirty-eight. Considering the amount and variety of paper circulated by these banks, that of Massachusetts alone being seventeen millions, and the great number of persons engaged in business pursuits, who can have but a limited acquaintance with it, it is not surprising that the 'enemy' should have 'sown,' in such a 'field' of operation, so bountiful a supply of 'tares.'"

The attention of the managers has been called to the subject of altered or raised notes. This is one of the more annoying practices to which the community has been subjected, and the inquiry has been made as to the best security against it. A practice has recently obtained, of adding red protectors, said to be indelible, as a reliable check, but they do not resist the test to which they have been submitted; all ink now used in printing bank bills, so far as we are aware, being removable by chemical processes, with which the counterfeiters and alterers of bills seem to be very familiar. The red letters, or "protectors," are open to another and important objection, in that they are now used on counterfeit bills. Some, which were formerly used without such "protectors," and against which the public had been warned, have recently appeared with this additional means of deception, and are being passed quite freely.

The attention of the executive committee has been called to a black indelible ink, recently invented, which is used by applying with a stencil plate the denomination to the back of the bill; but to them it has appeared objectionable, because, if adopted by the banks, it would also be easily adapted to counterfeit bills. The use of lines, coins, and female figures, singly or in groups, in the vignettes or on the ends and corners of bills, in number to correspond with or to represent the denomination, are open to objection; as, by the variety of designs used, the public at large are prevented from distinguishing what is meant to be peculiar to each denomination; and, though such signs and marks may be of advantage to the officers, and, to some extent, to that portion of the community constantly using such bills, the protection afforded by them to the public in general is very slight; and some of the most dangerous "raised notes" that have appeared, have been of bills of this description.

The best security now known against any, or all of these attacks, (for plates now in use,) seems to be a check-plate for the back of the note, so constructed that any tampering, with chemicals, with the face of the note, would occasion such a removal of the check, that the fact would be plain to all.

Believing that a paper and ink might be prepared, and so used together, as to form a combination of a character that would effectually prevent the alteration of either the name of the bank, or the denomination of the bills thus protected; and, with a view of calling the attention of chemists particularly to this subject, the executive committee have offered a reward of five hundred dollars, for the invention of the best mode, in their opinion, of accomplishing the object named. All appli-

cations for the reward to be made on or before the 25th day of March next, and to be accompanied with such explanation of the materials and processes used, as the party applying may be willing to disclose. Each applicant to lodge with the treasurer of the association, for the term of three months, the sum of one hundred dollars, which shall be paid to any person who shall, during that time, alter, by removing and printing anew, any material portion of a bill or note, prepared in accordance with the plan submitted, in such a manner that the alteration would, in the judgment of the committee, be likely to pass unsuspected. And if, at the end of said three months, no one has been able to effect such alteration, and the committee are satisfied that the materials prepared will stand all the tests which the present knowledge of chemistry affords, then the one hundred dollars will be returned, and the reward paid over to the successful applicant, and the hundred dollars deposited by each of the other applicants be returned to them respectively.

It is hoped that the reward offered will bring forth something that will prove an effectual barrier to this species of fraud upon the banks and the community.

In regard to bank notes, the adoption of a plate, however excellent in itself, by any number of banks, designing thus to give uniformity and protection to their issues, would *make it worth while* for the counterfeiters to imitate it, and they would at once avail themselves of such a facility to promote their traffic. In the general matter of uniformity in bank notes, we would say, that while a bank note should be something recognizable, by certain uniform features and designs, aside from the material of which it is made, and easily described, as in the case of gold and silver coins, yet we are assured that in the greater variety of special plates, and the superiority of the workmanship used, there lies the best protection to be found against counterfeiters; because they occasion more cost in materials, and the greatest amount of labor and pains to produce imitations.

The managers would suggest, that a bank note, engraved in the highest style of the art, with such peculiarities as some well-known scene at, or near the place of issue, or a portrait or two, of officers or directors, and not of a public man, with the denominations liberally repeated in prominent words and figures on its face, and a well-devised check-plate for the same, on the back, would present such a combination of security, as to form it a comparatively safe and reliable note.

It is a matter of some importance, that *worn* and *defaced* issues of paper currency should be withdrawn from circulation, that any complaint, in a matter entirely within the control of the banks, may be prevented. Bank notes are too often seen, to which, from continued use, the popular epithet of "rag money" might justly be applied. Money of this character can not but be instinctively avoided and condemned. When *worn* and *ragged*, it is evidently unfit for business transactions, which require legible notes, whose purport can be ascertained at a *glance*. It is a well-known fact, that the Bank of England does not issue its notes a second time. A note performs but one circuit in the currency, and is then destroyed. This system, doubtless, prevents any deterioration of

their issues, such as referred to above. Yet, without adopting such a plan, our banks might furnish the community "good, clean money," which, being manufactured with the improvements now at command, would make it a convenient and popular currency.

Having witnessed the operation of the association for the year, it may not be amiss to express, in conclusion, our gratification that the more popular form which has been assumed by it, should have tended in so marked a manner to increase its usefulness, and to produce, in a good measure, the sympathy and coöperation necessary to the effective performance of its duties. With the experience acquired, it is hoped that its future operations may be conducted with still better results; and that it may eventually obtain, through its officers and members, a complete control of the *evil* which it designs to suppress.

---

*Board of Managers for the Year 1854.*

President, GEORGE W. CROCKETT, Pres. Bank of North America. Treasurer, HENRY M. HOLBROOK, Pres. Granite Bank. Secretary, JAMES M. GORDON, Cashier Columbian Bank. CHARLES B. HALL, Cashier National Bank of Boston; WILLIAM H. FOSTER, Cashier Bank of Commerce; WM. HYDE, Cashier Hampshire Manufacturers' Bank, Ware; JAMES M. THOMPSON, President John Hancock Bank, Springfield; HENRY W. CUSHMAN, Pres. Franklin Co. Bank, Greenfield; ISAAC DAVIS, Worcester; MOSES WOOD, Pres. Rollstone Bank, Fitchburg; JAMES G. CARNEY, Lowell Bank, Lowell; L. BALDWIN, Bank of Brighton, Brighton; J. B. CONGDON, Cashier Merchants' Bank New-Bedford; JOHN A. APPLETON, Haverhill Bank, Haverhill; Joseph S. Cabot, Asiatic Bank, Salem.

---

*Articles of Association.*

The Associated Banks of Massachusetts, represented by their delegates in convention at Boston, February 9, 1853, adopted the following plan of organization:

The object of the Association is the prevention of counterfeiting, and the detection of counterfeiters of bank bills, coins, checks, or drafts.

Each and every bank may be represented by one officer, who may be a president, cashier, or director of the bank, to be appointed by the board of directors. An annual assessment may be made upon each bank represented in the Association, in proportion to the amount of its capital stock, to be determined by the Board of Managers; but in no case to exceed the sum of five dollars per annum, on each one hundred thousand dollars of its capital.

There shall be an annual meeting of the Association, in Boston, in the month of February, of which fourteen days' notice shall be given, by a printed or written notice, addressed to the cashier of the bank.

At this meeting, all the officers for the year shall be elected by ballot,

to consist of a Board of fifteen Managers, five of whom shall be from the county of Suffolk, and ten from such other places in the State as the meeting may decide.

The Managers shall choose a Chairman, Secretary, and Treasurer. The Chairman shall be, *ex officio*, President of the Association. In case of his absence, any other member may be chosen to preside.

The Secretary shall record the doings of the Association, and of the Board of Managers.

The Treasurer shall receive and disburse the funds of the Association, under the direction of the Board of Managers; and, if required, shall give bonds for the faithful discharge of his duties.

There shall be regular quarterly meetings of the Managers, five of whom shall constitute a quorum. Special meetings may be called by the Chairman, Secretary, or any other two members of the Board.

The Managers shall have power to appoint such agent or agents as they may deem proper, to promote the objects of the Association, and determine their compensation.

The agent or agents thus appointed, shall render a written report of their doings, at each quarterly meeting of the Managers, and at any intermediate time, when required.

At each annual meeting of the Association, the Managers shall render a detailed report of their proceedings, and the acts and doings of their agents; together with a statement of all funds received by the Treasurer, and disbursed by him under their directions; all accompanied with proper vouchers, to be presented to the Governor for his action thereon, according to law.

Any bank becoming a party to this plan of organization, by a duly authorized officer, and paying its proportion of the assessments, shall be entitled to all the privileges of the Association.

---

#### *Rules of the Board of Managers.*

PREAMBLE.—As much of the efficiency of the Association will depend upon secret information, to be obtained only with the understanding that its *source* is to remain secret, it is understood by each member of the Board, that all communications made to it are to be strictly confidential.

ARTICLE I.—*Meetings.*—The annual meeting of the Association shall be held on the second Wednesday of February.

The quarterly meetings of the Board shall be held in Boston, on the third Wednesday of February, May, August, and November. Special meetings shall be held at any time, at the request of the Chairman, or of any two members of the Board. Five minutes after the time named, a quorum being present, the Board shall proceed to business; and the first business in order shall be the reading of the records of the last meeting of the Board, and of the doings of the Executive Committee since that meeting.

ARTICLE II.—*Officers.*—The Chairman shall preside at all meetings of the Board, when present; in his absence, a Chairman, *pro tem.*, shall



be chosen. The Treasurer shall receive all the funds belonging to the Association, whether now in existence or hereafter accruing, together with all vouchers for payment of money, and all other papers and books relating to this office, and hold the same, subject to the orders of the Board, except as provided for in Article 3d; and, on his retirement from office, shall pass the same to his successor. He shall give a bond in the sum of five thousand dollars, to such persons as may be named by the Board, as Trustees for the Association, for the faithful discharge of the duties of his office; keep a book belonging to the Association, in which shall be entered, in detail, all receipts and payments of money; keep the funds of the Association invested, as provided in Article 3d; at each quarterly meeting of the Board, and oftener if required, lay before it a statement of the assets and liabilities of the Association, and generally to discharge all other duties usually belonging to said officer; and shall be paid for his services one hundred dollars per annum. The Secretary shall keep a record, in books belonging to the Association, of the banks belonging to it, with the capital of each; of all meetings and doings of the Association, of the Board, and of the Executive Committee; with the names of the Managers present at the meetings of the Board, and of the Executive Committee; notify the annual meeting of the Association, (to be held on the second Wednesday of February, at such time and place as the Board may direct,) as required in the Articles of Association; notify each member of the time and place of meeting of all meetings of the Board, and of all adjournments thereof; and at each meeting of the Board, have his records of its doings, and of the doings of the Executive Committee, present for inspection and use, as provided in Article 1st; take charge of and preserve all books and papers belonging to the Association, not connected with the Treasurer's department; correspond with banks and individuals, by direction of the Board, or of the Executive Committee; and generally do and perform all other duties usually devolving upon such office; and, at the expiration of his office, deliver the books and papers in his possession, belonging to the Association, to his successor; and he shall be paid for his services five hundred dollars per annum; and no salaried officer or agent shall be employed by the Board or the Executive Committee, except the Treasurer and Secretary aforesaid.

ARTICLE III.—*Executive Committee.*—The Executive Committee shall consist of five members, three from Boston and two out of Boston, to be chosen by ballot, annually, by the Board, whose duty it shall be to institute and prosecute, or authorize to be instituted and prosecuted, all proceedings in furtherance of the objects of the Association, during the recess of the Board; authorize the Treasurer to pay bills, and either member of the Committee to enter into engagements on behalf of the Board, to an amount not exceeding, in all, one thousand dollars, during such recess; such engagements being entered into, and bills created, solely as *special undertakings*, in each instance, and with no avowed view of permanency, except with the previous assent of the Board, had and obtained in each case; and all bills and engagements exceeding that sum, are to be acted upon by the Board, before such bills are paid, or

engagements entered upon; direct the investment of the funds in the hands of the Treasurer, and generally exercise, when the Board is not in session, the power conferred by the Association upon the Managers, subject to the restraints and limitations contained in the Articles of the Association, and in these rules, and to such further restraints and limitations as the Board may, by rule or vote, from time to time impose. In case of the absence of three of the members of this committee, those present may call in either of the Managers, to act as members *pro tem.*, and the committee shall act only by unanimous assent of the members present, in all cases, and three members shall constitute a quorum.

ARTICLE IV.—*Managers' Expenses.*—The expenses of the Managers, incurred in the discharge of their duties as Managers, shall be paid as follows: Two dollars for each day's attendance at meetings of the Board, and of special committees thereof, with an allowance to those Managers residing out of Boston, for travelling expenses, of one dollar for each ten miles of travel in one direction.

ARTICLE V.—*Alteration of Rules.*—These rules may be altered at any meeting of the Board, at which a majority of the Managers are present, notice having been given of the purpose.

---

## FIRE INSURANCE.

[From the New-York Courier and Enquirer.]

THE rate of insurance in London, on house property, is eighteen pence to the hundred pounds; in New-York it is five times as much. London has ONE HUNDRED AND NINE FIREMEN; New-York, THREE THOUSAND. London has twenty square miles to be protected; New-York, ten. London has no aqueduct; New-York has the largest aqueduct in the world. London has water on one side; New-York has water on all sides.

In the face of facts like these,—in the face of such facts as we have before presented, in reference to the comparative losses by fire in this city, and in other American and European cities,—do our Boards of Common Council suppose that we are going to give over our attacks upon the present organization of our fire department? Do they suppose that the public are going to be satisfied with the paltry changes of form and detail, which have thus far occupied their attention? We know that our fire department have votes at their disposal; we know that, if banded together, they can exercise a considerable influence upon our municipal elections; but we also know, that the time has come when their system must be fairly examined, and judged according to its merits. There is a feeling upon this subject which it is idle to trifle with. Honest and earnest discussion can not be avoided. If our present fire department does not answer its purpose, we must have one that will; and those whose business, in that case, it is to provide such a one, will be held to their just responsibility.

The character of the men who make up the fire department, we would by

no means disparage; nor would we under-rate their zeal, or their courage. It is not the men, but the *system*, that we impeach. The present system, we say, is totally unable to produce that skill and discipline which are indispensable to the efficiency of firemen. The most intelligent of the firemen admit it; every observing citizen knows it; and the evil has at length become so notoriously detrimental to all the best interests of the city, that it can not be tolerated much longer. There is no progress in our fire department; imperfect as it always has been, it is no better now than it was ten or twenty years ago. Nothing is ever learned from experience elsewhere. Our London correspondent, whose very interesting letter on the fire brigade of London we publish this morning, is perfectly right in saying that the floating-engines, which are of such "immense importance in London, would be invaluable in cases of fires at the wharves and docks in New-York;" but when was any attempt ever made to supply this want? or when, indeed, was it ever suggested that such a want actually exists? The property lost in two cases of fire alone at our wharves, within the last six months, would have bought such an apparatus as "Pedestrian" describes, five hundred times over; and yet, under the present management, we may go on for an indefinite time suffering just such calamities, with no more means of checking them than we now possess. Again, what hint has ever been taken from the unequalled fire organization in Paris? Did one of our "engineers" ever see, or even hear of, the mask and dress which are in constant use there, whereby the wearer may remain, for any time, in the densest smoke and most noxious vapors, without inconvenience, and approach at once the very focus of the fire? The amount of property which might have been saved from the indiscriminate destruction caused by the blind playing of water, by the employment of this simple invention, is not to be calculated; and yet, not the least pains whatever has been taken by the managers of the fire department, to learn its usefulness. What do our engineers know of the advantages of the *echellé-à-crochets* over our common ladder, in passing between story and story? What can they tell of the contrivances by which adults or children, whose escape by the stair-way is cut off by smoke or flames, may be safely passed down the exterior of the building with scarcely a moment's delay? We do not say that the public have a right to expect all these improvements under the present system, but we do say that we ought to have a system under which these and similar improvements shall be understood, and, as far as practicable, adopted.

We have not set forth the character of the fire organizations in the different cities of Europe, with a desire that any of them should be fully copied in New-York. Our social institutions and popular habits, without doubt, would require a considerable variation in many respects. But it is certain, that all the most material parts of their system—those features which produce its real efficiency—are just as applicable here as there. It is certain that payment for service is equally important in New-York as in London; for without such pay, no regular organization which would make the extinguishment of fires its *study* and its *business*, can be maintained. We must have a body of paid firemen, who shall devote their whole

attention to their duties, and acquire that discipline and skill which a systematic daily training alone can impart. The force need not be more than half of the present number, to have, with such training, ten times the present efficiency. Its officers should be not only "born to command," but thoroughly scientific men; and the whole force should be as directly and completely under the control of the city as the police organization itself. Until this is done—until the whole system is remodelled throughout—there can be no hope that fire will not continue to make the same ravages upon our property, that we have so long and so bitterly experienced. The letter from our correspondent on this subject is somewhat long, but it will richly repay perusal.

---

[Correspondence of the N. Y. Courier and Enquirer.]

LONDON, Feb. 21, 1854

*Early History of the London Fire Department—Details of the Present Establishment—Number and Wages of the Men—How Horses are Employed—Small Number of Engines—The Uniform—How the Engines are Worked—System of Reports—Promptness of the Insurance Companies—Services of the Police—Floating Fire-Engines—Amount of Property Insured—Cost of the Brigade—How Water is Supplied—Valuable Practical Suggestions—Low Rate of Insurance.*

Thinking a brief history of the London fire brigade, as at present constituted, may be suggestive of reform in the system for extinguishing fires in force in American cities, I have been at considerable trouble to gather facts, and forward you the result.

In order to impart a clear understanding of the plan in operation here, it is necessary that a few historical events be recalled. The city of London, prior to 1678, had no (properly so called) fire department. The citizens at that day relied upon parish engines; but these were so indifferent as to be next to worthless. Between the year named and 1774, the authorities considered it advisable to make the means for extinguishing fires a subject of legislative enactment; and parliament accordingly passed a law, by which every parish within the "bills of mortality" was obliged to keep two fire-engines, with certain appurtenances described, under specified penalties, which act is still in force, although not rigidly carried out. As there were, at the time, about 150 parishes within the limits designated, this law gave about three hundred engines for the protection of London. Before the act was passed, several of the insurance companies kept a fire apparatus for their own advantage; and, after the enactment, others followed their example. When the law had been in force a short time, the parish authorities became negligent, and allowed their engines to fall into disuse, and only paid sufficient attention to them to evade the penalties of the statute. This attracted the notice of gentlemen interested in insurance companies, and numerous efforts were then made by these persons to amalgamate the whole office force, so as to operate more effectually than the engines were able to do, under the isolated arrangement. But the object could not be attained. The national prejudice against innovation was an almost insurmountable

barrier, and for nearly fifty years the insurance companies acted independently of each other.

It was customary for the firemen belonging to the different offices to parade the streets with their engines, on the annual return of the day of the establishment of the companies to which they belonged; and, as might be expected, this was productive of several foolish shows in the year. In January, 1833, after repeated failures, Mr. Ford, of the Sun Fire Insurance office, persuaded seven other companies to join him in a general association of fire-engines and firemen. Since that time, all the offices keeping fire-engines in London, (in number twenty-three,) except that of the West of England, have joined the brigade, and operate together.

The principles of the Union were: That all names, badges, &c., of the different offices should be given up. The expenses in future should be defrayed in proportion to the business done by each insurance company concerned, a *minimum* rate being fixed. And that a committee of management should be formed, of one member from each office contributing to the support of the brigade.

Under this arrangement, the department consists of one superintendent and four foremen, each being appointed to a district, which he never leaves, except on some pressing occasion; and who, in the absence of the superintendent, has the sole command of all engines or firemen within, or who may come within, his district. Twelve engineers, who get twenty-eight shillings per week, (about \$7,) each, and a free house. Seven sub-engineers, at twenty-six shillings (or \$6.50) each, a week. Thirty-two senior firemen, at twenty-four shillings and sixpence (or \$6) each, weekly. Thirty-nine junior firemen, at twenty-one shillings (or \$5) a week; and fourteen drivers, who are paid as will hereafter be described. This is the entire fire department of London, in ordinary times; and consists, as is shown, of but *one hundred and nine persons*, including superintendents, foremen, and drivers.

All the above live at the several stations, are clothed by the committee, and are always ready when required. The engines are drawn by horses, thirty-one of which are kept constantly, day and night, at the engine-houses, ready harnessed for service. In addition to these, there are four extra firemen and four drivers, who live at the stations, and are clothed, but only paid by the brigade when their services are required, and pursue their usual avocations. Eight extra horses are also kept, but these are not an additional expense. The engines are mostly drawn by these animals, which are obtained from cab proprietors on the most liberal terms. These men furnish two horses and a driver to each station, (except that at Watling street, where there are four,) and, in consideration of the stable-room, charge but \$500 a year for each pair of horses and driver. Nearly all the London cab proprietors keep extra horses, and, when a fatigued animal is returned to the stable, the fresh one is taken out. By contracting to supply horses to the fire brigade, some of them have a double chance of making money. The keep of the animal is paid out of cab profits; and, as stable-room costs nothing, and the engine-driver receives but \$4 a week, there is a clear gain by the opera-

tion. Fires do not occur sufficiently often to be fatiguing to the horses, and therefore this arrangement works well.

What will astonish American readers most is the small number of engines. Those belonging to parishes, as before hinted, are worthless, there being only eight or ten at all serviceable. The brigade-force consists of twenty-seven large engines drawn by horses; nine small ones drawn by men; one floating engine worked by steam; one of the same character worked by manual power, and twenty-two hand-pumps carried in the large engines. Taking the parish apparatus, the fire-engines of the West of England Company, (not of the brigade,) and the thirty-eight engines belonging to that body, there are but fifty-three fire-engines in London! The hand-pumps can not be counted, (being small as their name implies,) and the floating engines are stationed in the Thames, where they are only serviceable on particular occasions. This very small force masters all fires within a circuit of ten miles radiating from St. Paul's, and absolutely protects the property of more than three millions of people.

The firemen are intelligent, sober, and active men. They live at the stations, are nearly all married, and wear a serviceable and appropriate uniform. The head-covering is a helmet resembling that of the Roman soldiery, and not very unlike the cap worn by New-York firemen. Each one is provided with a thick coat, nearly water-proof, pantaloons of the same material, thick boots, and red flannel shirt. When an engine is sent to a fire, only four firemen and one driver go with it, all of whom ride on the apparatus, which is driven along the streets at a furious rate. The men present a strange appearance, thus mounted, in their soldierlike uniform, and impress the beholder with the fact that they are intended for valuable service. The hose is carried on the engine. When proceeding to fires, as if by mutual consent, all vehicles make way for the brigade, and the only noise is that arising from the feet of the horses and roar of wheels. Neither bells nor horns are used in any form in the department.

It will be at once remarked that four men are not enough to work an engine. The firemen superintend. The levers are manned by the bystanders, and to avoid all dispute in case a foreman be not present, that fireman whose number gives him seniority is commander. All are numbered, and merit insures promotion. The persons who work the engine are paid one shilling the first, and 6d. for each succeeding hour, beside refreshments. Upward of six hundred assistants have been thus employed at one time.

Each fireman carries printed blanks to every fire, on which are numbers from 1 to 28, and a line on which to write a name of each man that works at the engine, as well as the hours he may be engaged. When this apparatus is manned, the names are written on this blank, and from that it is known who the workmen are, and they are paid accordingly.

The foreman of each and every district is provided with printed forms on which to make out reports of fires occurring in his department. One of these is forwarded to the chief office at 7½ A.M., and one at 7½ P.M.,

each day. On this are given the day, hour, and place of the fire; the name of the occupier of premises and his business. The landlord's name; supposed cause of fire; where insured; number of policy; gas company supplying gas; whom extinguished by; what water used; number of engines, and their district; engines not of the establishment, if any; assistants employed, and damage done.

These reports are embodied in another, made out daily by the superintendent, Mr. Braidwood, who forwards one to each of the twenty-three insurance offices connected with the brigade, and a survey is immediately ordered. The companies act promptly, and even in cases where the injury is so slight as to make it scarcely worth the while of the insured to apply for remuneration, officers go and assess damages which are paid! It is important to mention that the London Insurance Companies rarely raise quibbles. In cases where foul play is suspected, unless positive proof be forthcoming, the claims are allowed. This is because an over nicety on the part of companies drives custom from their doors, and experience proves that it is more profitable to pay an occasional fraud than to suffer a law-suit. The offices noted for insinuating suspicion are avoided by the mass, and do but little business in comparison with those that never quibble.

From what has been said, it will be seen that the London fire brigade is entirely voluntary on the part of the insurance companies, there being no law in any shape whatever to control or sustain the department. I must not omit to state that the greatest possible assistance is given to the firemen by the police, (of whom there are from 6000 to 7000 in London,) in keeping back the crowd and performing other similar service. Each constable who discovers a fire, without having his attention drawn to it by another person, receives 10 shillings or \$2.50 from the brigade. This causes vigilance, so that there are upward of 4000 men on watch all night for fires. If a policeman keeps the doors of the premises shut, where fire is discovered, so as to confine the flames till the engines are ready, a sovereign, or \$5, is sent to the commissioners in each case for him.

The act already referred to, provides that the men who arrive with the first large engine to extinguish a fire, shall receive 30 shillings, those of the second, 20 shillings, and the third, 10 shillings, and 10 shillings to the first man who turns on the water. These rewards produce about 62 cents per week to each fireman, above his salary. They are paid by the occupiers of the building in cases of chimney alarms, and from the poor rates in cases of a more serious character, the brigade committee not interfering with them in any way.

The floating engines are extremely serviceable, and I believe altogether unknown in the United States. These are large, and capable of throwing six streams at once, of from one to one and a half inches diameter. They are boats in reality of about 70 tons, anchored in the Thames, but easily moved at short notice to any required point. One is worked by steam, and as it has paddles, there is no difficulty in getting it wherever it may be wanted. Such an apparatus in the rivers at New York, would be invaluable in cases of fires on the wharves and docks.

They are of immense importance in London, where the houses are densely built up to the river's brink, forming places noted for fires of the most serious nature and damaging results.

Alarms are communicated by running to a policeman or station. There are fourteen of the latter, located about a half a mile apart. When a fire is serious and more than two engines are required, the driver is sent back with his horses, and policemen are dispatched to other stations. At present a system of telegraphing is under consideration, but it is barely likely to be adopted. About two fifths of the firemen are on watch all night, and in case of alarm there is no delay. The whole are on the alert as eagerly and early as the most anxious volunteer rivals Philadelphia ever sent to a firemen's fight; and I am happy to say their vigilance never leads to riot.

Insurance in London is properly allied with the fire brigade. In 1831, the offices of this city had £176,000,000 of liabilities in the metropolis. In 1852, the amount insured by them was £228,000,000, or one billion one hundred and forty millions of dollars. They paid that year to government, in the form of duty £1,200,000, or six millions of dollars! The calculation is that about one half the property in London is insured, and taking that as a basis, although not entirely reliable, the real value of houses, furniture, and merchandise in the capital of Great Britain, exceeds the enormous sum of four hundred and fifty-eight millions of pounds, or five times that number of dollars! And, recollect, there are only fifty-three engines, and in reality not more than 109 firemen, all told, to protect this vast accumulation of wealth from that terrific and destructive element—*fire*! This small force keeps watch and guard over a densely populated region, sixty miles in circumference; and although fires are numerous and the destruction of property great at times, conflagrations, such as desolate New-York and Philadelphia, are the exceptions, and never the rule.

The brigade is considered a private business affair, and therefore its cost is a matter of secrecy. Information on every other head is readily given. The only means of reaching that result are imperfect, and whatever sums may be named, must be conjectural. From data in my possession, I am inclined to believe that the entire expense of the department for one year, does not exceed £6000, or about \$30,000. This is a liberal allowance, and rather over than under the actual figure. The superintendent, Mr. Braidwood, is a member of the Institution of Civil Engineers, and thoroughly calculated for his post. His assistants are equally qualified for their respective offices.

Water is supplied to London by incorporated companies, and sometimes there is a scarcity. The openings are entirely different to the fire-plugs of American cities, and never rise above the street surface. They are usually in the centre of a thoroughfare, and to enable people to find them, their location and distance from the curbstone are marked conspicuously on the house walls. In case of fire, it is customary to place a portable canvas cistern around the plug, and as the water rushes into this and forms a reservoir, hose is inserted and the work of extinguishing



proceeds. In this way as many as four engines can obtain supplies from a single source.

In conclusion it may be well to repeat a few remarks made by Mr. Braidwood to me respecting large fires. His experience induces him to conclude that it is impossible to save immense buildings from the flames as a rule. When a fire is discovered in London in a monster warehouse, the custom is to save the adjoining property and confine the element to the large building if possible. If flames once spread in a great edifice where there are but few party-walls, and wide hatchways and openings, which serve as funnels to increase the fire, no human power can conquer the destroyer. He thinks this is not sufficiently understood in the United States, and that the eagerness of your firemen to preserve a large building (which cannot be saved) leads them to expend energy, time, and water to no purpose; whereas, if they were to direct their attention, on arrival at such a fire, to the property adjoining, conflagrations in American cities would rarely assume the magnitude they do now. The hint seems reasonable, and hence I repeat it. That the London Insurance Companies entertain this opinion is evident from one fact. There is a very large building in St. Paul's churchyard, lately finished at a cost of 2,500,000 dollars, (£500,000,) and the owner can not obtain insurance for more than one half its value. This is because the offices know that in case of fire its almost total destruction would be inevitable, and that being the case it would be very foolish in them to insure to the entire value of the edifice. There is considerable cast-iron in it, in the shape of columns and supporters, which is another serious objection, as experience shows that this metal runs away like water in the heat of a moderately intense fire.

Insurance on house property, furniture and merchandise, is about 18d. to the hundred pounds in London. The government duty is twice that sum, or three shillings on every hundred sovereigns worth of property insured, and therefore the treasury obtains double the amount that the insurance offices get from that source, and has no risks.

PEDESTRIAN.

#### LOSS ON BANK BILLS.

WE gave in our February No., pp. 613, 614, a few particulars in reference to the annual loss on bank bills. It is difficult to get precise information on the subject, and we avail ourselves of the report of the State Bank of Indiana, as annexed, which will be interesting for future reference:

#### OFFICIAL REPORT OF THE CASHIER, TO THE STOCKHOLDERS OF THE STATE BANK OF INDIANA, NOVEMBER, 1853.

The cashier submits the following report:

In compliance with the direction of the board of directors at their last session, authorizing the cashier of the bank, both by correspondence and

personal conference, so far as practicable, with the former officers of banking institutions in this country, which have closed their business after completing their chartered existence, to ascertain and report to this board, at its next session, a just and safe per centum of substituted circulation to be issued to the respective branches of this bank, for the amount of the paper of the bank believed to be actually lost by circulation, the cashier respectfully submits the accompanying tabular statement of the result of such inquiry. In making this statement, the replies of those former banking institutions have been included, whose position, as to length of existence, and circumstances affecting their circulation, might properly be regarded as affording a parallel to that of this bank. The conclusion is clearly justifiable, from a full examination of the experience of those institutions, and our relative position, that it is abundantly safe to consider that the loss of circulation of this bank, as the result of its nineteen years' business, with an average circulation of \$3,108,215, is now twenty-five cents on each \$100, for each year of such circulation, (being one fourth of one per cent,) making, say, \$147,640.

The actual result, there is good reason to believe, will prove to be a larger loss than such amount.

Table of Loss of Bank Circulation.

BANK.	CIRCULATION	NO. OF YEARS.	LOSS.	LOSS PER ANNUM.	LOSS ON EACH \$100 PER ANNUM.
					Cents. Mills.
Catskill Bank, N. Y. ....	\$200,000 00	30	\$15,000 00	\$500 00	25
Mechanics' Bank, Baltimore, .....	450,000 00	47	26,190 00	555 00	12
Merchants' & Farmers' Bk., Albany, .....	260,000 00	32	17,500 00	547 00	21
Commercial Bank, Cincinnati, .....	150,000 00	11	5,000 00	454 00	30 3
Bank of Genesee, .....	200,000 00	13	4,000 00	308 00	10 4
Bank of Illinois, .....	1,500,000 00	7	30,000 00	4,285 00	29 5
Cheshire Bank, N. H., .....	50,000 00	40	6,000 00	150 00	30
Farmers' & Mechanics' Bank, Mich., .....	150,000 00	20	8,000 00	400 00	26 6
Bank of Michigan, Detroit, .....	500,000 00	16	30,000 00	1,875 00	37 5
					222 6

Number of banks, 9.—Average per \$100, 24 cents and 7 mills.

## THE AMERICAN BANK LOCK.

THE GREAT LOCK PICKED AT LAST.—The *Scientific American* says, "There can be no doubt of the fact that 'Day & Newell's American Lock,' under the care of Mr. Hobbs, now in London, has been successfully picked by Mr. Goater, foreman of Chubb's establishment."

We notice in many of the papers, the paragraph printed above; and, as it is an incorrect account of the fact, and an unnecessary disparagement of American genius, we transfer to our pages an extract from a discussion of the subject, at a meeting of the "Institution for Civil Engineers," of London; a body composed of the first engineers of the kingdom, and no way prejudiced in favor of American inventions:

"It was explained that the American permutating lock, which had been described in the paper, was not intended for ordinary domestic purposes, but for

banks, and establishments requiring extreme precautions for security; and that the chief object in the introduction of Hobbs' movable stump or protector-lock, was to supply a secure lock at a moderate price. In the course of manufacturing, as might be naturally supposed, the weak points of this lock had not escaped detection, and it was soon discovered that, although the principle was correct as long as the stump remained movable, if, by any means, the stump could be held fast, the lock became one of the ordinary tumbler-locks, and was as easily picked as the others. For instance, in a till or drawer-lock, where the key-hole was parallel to the bolt, it was easy, by the insertion of a piece of watch-spring beneath the lock, to catch and hold the stump, and to open the lock. This, however, was readily prevented, by the insertion of a tongue in the back plate, fitting into a corresponding groove in the back of the bolt, thus cutting off all access to the movable piece under the bolt; and further to preclude access to the stump itself, a piece of steel was riveted into the front plate, reaching through the tumblers into a groove in the bolt, thus placing an effectual barrier between the key-hole and the stump. With these slight additions, which were now introduced, it was contended that locks constructed on the principle of the movable stump might be considered secure. It was shown that Mr. Goater, who was connected with the establishment of Mr. Chubb, had succeeded, very ingeniously, in picking three of Hobbs' till-locks, by the means which had been described; those locks, however, not having the additions for security which had been alluded to. This opening of these locks was admitted to be perfectly legitimate, showing slight defects in the details of construction, but DEMONSTRATING THE CORRECTNESS OF THE PRINCIPLE; and it was argued that it was only by such means that the manufacture of the locks could be tested and improved. Indeed, the lock-makers were greatly indebted to Mr. Hobbs, for showing them the weak points of the locks constructed prior to 1851."

#### FOREIGN ITEMS.

**FRANCE.**—A meeting of bankers and moneyed men took place at Paris on the 8th March, M. Koenigswater in the chair. A memorial was drawn up by the meeting, and presented to the Emperor, praying him to take into consideration the great pecuniary interests engaged in commercial and industrial undertakings in France, and throughout Europe; and not to allow himself to be lightly engaged in the difficulties of a distant war. The Emperor, it is said, replied to the persons who presented this memorial, that undoubtedly material interests possessed incontestible importance in his eyes, but that he could never place them above moral interests; and that a question of honor and national dignity must always weigh with him much more heavily in the scale than any mere question of money.

The *London Times* of the 11th March states that the Vienna money market is much disturbed by extraordinary rumors; one of which was, that certain English capitalists had agreed to get up a loan of £10,000,000 sterling in behalf of Austria, provided the latter government "will entirely break with Russia." It is known that unsuccessful attempts were made last summer, in the London market, for a heavy loan for Austria. The latter government has recently refused to receive, except at 15 per cent discount, the paper of their own National Bank, while individuals are compelled to take it at par. It is conceded that the Austrian finances are in a sad condition, with increasing annual deficits in their revenue, and diminished credit abroad.

**EUROPEAN LOANS.**—The anticipated rise in the minimum rate of interest, by the Bank of England, has already (although merely *suggested* as a new move) produced some stir in the financial circles of Lombard street. Large loans are projected for France, Austria, &c., all of whom look to England for their source of capital. Upon this subject *The Times* adds, in a general survey of the money markets of Europe:

"For the last twenty years there have been few exceptions when the annual

sums lent to foreign nations have been less than £10,000,000 or £15,000,000 sterling, and under no reasonable supposition can the amount required for the most active operations exceed the outflow that will thus be checked. If circumstances had been different, Austria, staggering as she is in the last stage of insolvency, and Russia, unable to make even a railroad without an appeal for English capital, would certainly have appeared in our market for an aggregate of many millions, to say nothing of those amounts needed by the Italian and other States, whether for purposes of revenue or internal improvement. With these drains cut off on the one hand, and the influx of Australian wealth on the other, there is ground to hope that, if a prosperous harvest should be realized, we may pass even through a war with a similar absence of commercial disturbance to that which we have this year passed through, an unprecedented combination of adverse crops and political perplexities. At the same time, whatever may be the worth of these considerations, a higher cause of trust remains. Never in the records of the conduct of mankind, has an instance of greater forbearance, united with conscious power, been exhibited, than by England in the trial now forced upon her; and those who apprehend that this course is destined ultimately to lead to regret, or that the present epoch of the world is one that can be permanently violated by a raid of barbarians, determined to carry fire and sword before them, and ignorant of the existence of public law, must have profited little from all that they have ever seen of the career of madmen or criminals, and be destitute of faith in the inexorable decree that renders such beings merely blind instruments of the very progress they are endeavoring to defy."

**TURKISH LOAN.**—The London banking firm of N. M. Rothschild & Son had issued their prospectus of the new Turkish loan, which they had taken to the amount of £2,727,400, at six per cent, redeemable in fifteen years. The stock opened on the 23d at 3 premium, but declined to 2 a 2½, and again to 1½. The French loan had been taken up, and sales had been effected at a premium; but it declined to par on the 24th.

**FAILURES.**—Among the recent failures is the house of C. Lampronti & Co., of Florence; liabilities, £86,500, with nominal assets, £121,500. Also, Messrs. Montaux & Co., of Paris, bankers, having a branch in London. This firm are creditors of the former to the extent of £3000 to £4000.

A rapid advance is seen in the value of Russian hemp. Two months since, it was quoted at £44 per ton: it has now risen to £72 a £75.

The London bankers are paying 3½ a 4 per cent on deposits. The banks are well supplied at this rate. Throughout the Continent there is an increased demand for capital, at much higher rates than previously quoted. France, Austria, Prussia, Russia, and Turkey, are all compelled to raise money, and look to England for aid.

The money article of *The Times* of Saturday evening, April 1, says: "Owing to delay in the French mail to-day, the London agents of Messrs. Leroy de Chabrol & Co., whose failure in Paris was reported by telegraph yesterday, did not receive any notice of their suspension, and holding a balance in their favor, continued to honor their drafts. Subsequent advices, however, confirm the event; and although, in reference to it, the various letters from Paris express more anxiety than was expected, there is no doubt it will cause much embarrassment. The capital of the establishment is estimated at £480,000, but a large portion of it seems to have been locked in railway shares, and other speculative investments; and the rumor of their being in difficulties caused a run upon them by their depositors, which they were at length unable to meet, as much as £60,000 having been taken in one day. The particulars of their exact position are not yet known; but, whatever may be the fate of the shareholders, it is not supposed the general creditors will ultimately be losers."

**COIN IN EUROPE.**—Of the drain of coin to the East, from France and England, *The Times* says further:

"At the same time, the state of China has led to the export of several millions sterling to the East, to purchase goods; for which, amid the prevalent apprehen-

sions, no other than metallic payments have been available; while we have also seen another million unexpectedly shipped to Amsterdam or St. Petersburg. Yet, although these, which might have been sufficient of themselves to create considerable confusion, have been merely subordinate events in a year of which the outbreak of war, and occurrence of a harvest that has sent food almost to famine prices, have been the principal features, they have not prevented the continuous manifestations of firmness in the prices of property of every description,—a firmness which, as regards the stock market, would have been still more palpable, but for the fact, that, in the previous year, as well as at the commencement of this, the supply of securities was augmented by a large number of foreign undertakings, principally of a healthy character, the outlay for which has since been in active progress."

### MISCELLANEOUS.

**THE GREAT REPUBLIC.**—An iron chest, containing several thousand dollars, which was on board this ship when she was on fire, has been recovered. The bills were reduced to ashes, and the greater part of the silver and copper were lovingly blended together, and transformed into a good standing color, black. We saw fourpences, quarters, and cents, joined like coral with pebbles and shells. When the spring opens, something will be done toward rebuilding the ship; and for that purpose, we understand, she will be towed to Boston.—*Boston Atlas*.

**NORTH CAROLINA LOAN.**—The accepted bids of the North Carolina 6 per cent loan were as follows, varying from 104 5-100 a 105 52-100.

Carpenter, Vermilye, & Co., New-York, .....	\$30,000
Cammann & Co., New-York, .....	125,000
A. M. Burton, .....	5,000
J. V. Wilcox, .....	10,000
T. Ruffin, .....	8,000
John Beard, Comptroller, .....	43,000
W. A. Myatt, .....	1,000
Alex. Cunningham, .....	5,000
John C. Barnhardt, .....	2,000
John B. Oliver, .....	10,000
I. G. Lash, .....	25,000
A. & E. Kron, .....	1,000
J. Thompson, New-York, .....	235,000
	<hr/>
	\$500,000

Mr. Thompson's bid was the lowest accepted, namely, 104 5-100. The premiums average 4 5-100 per cent.

**MISSOURI STATE BONDS.**—The banking-house of Lucas & Simonds, a few days since, sold \$50,000 bonds of the State of Missouri, at 103. They were taken, and on a tight money market. The sales show the estimate put upon our State bonds at home. This is better than recent sales in New-York. As a State debt for railroad purposes can only be created as the several roads progress, the value of property is thereby immensely appreciated, and the time can not come when there is a failure to meet the interest, or to pay the principal when due.—*Missouri Republican*.

**SUPPRESSION OF A SMALL-NOTE CURRENCY.**—The legislature of Virginia has passed a law, prohibiting the circulation of small notes in that State. One of its provisions subjects any person whose name appears on the face of any note of less denomination than five dollars, to a penalty five times the amount of the note, which may be recovered by any one who may proceed against the person appearing to be the issuer of the note. The act goes into operation on the first of June, thus giving three months, for those who have small notes in circulation, to withdraw them.

**MARYLAND BANKS.**—The legislature of Maryland has adjourned, after having passed an Act to authorize the Baltimore city loan, for the completion of the Baltimore & Ohio Railroad; the bills for the disposal of the State's interest in the Baltimore & Susquehannah Railroad, and for the consolidation of that road with the other roads leading from Baltimore to Sunbury; the increase of the banking capital of the city of Baltimore, and the modification of the commercial inspection laws; all measures enacted at the desire of Baltimore, and the effect of which will be most favorably felt.

**LOUISIANA COUPONS.**—The New-Orleans *Delta* of February 22d, says:

"We hear many complaints on 'Change of the failure of the State to meet its coupons, a great many of which are now past due for some time. There must be some serious neglect in this matter, which, we hope, will secure the prompt attention of the authorities at Baton Rouge. The credit of the State will always be bad, as long as such neglect as this characterizes the administration of its finances. We are told that the Bank of Louisiana refuses to take these bills for collection, stating that they have already tried in vain to collect them. It would be better for the State to borrow the money to pay their coupons, than to allow them to stand over in this manner."

When we noticed this difficulty some weeks ago, we were told by a highly respectable firm in this city, that the State authorities were not called upon to make provision for the coupons; but that they were payable at the various banks to whom they were issued, and that the confusion arose from the inattention of the owner of the bonds, in not specifying (when the coupons were sent in for collection) the place where they were payable. The coupons are all alike, and the endorsement (where payable) is on the back of the bond, so that when the coupon is detached, they can not be distinguished except by the numbers. If presented at the right bank, according to the direction on the bond, we are assured they will be paid.

**BONDS AND MORTGAGES.**—The bank department at Albany recently sold the following bonds and mortgages, deposited by the Merchants' and Mechanics' Bank of Oswego, at the prices indicated:

<i>Am't for which bond and mortgage were given.</i>	<i>Mortgage recorded in Erie county clerk's office.</i>	<i>Lands situate in Holland, Erie county.</i>	<i>Amount sold for.</i>
\$4705	Lib. 88, p. 521	541½ acres.	\$1820
8981	" 522	301½ "	1200
3370	" 523	492½ "	1680
3270	" 524	327 "	1500
3280	" 525	328 "	1800
2828	" 526	202 "	1850
4069	" 527	220½ " }	8850
4069	" 528	220½ " }	
3777	" 529	361½ "	1800
4286	" 530	311½ "	2100
3041	" 531	252½ "	1600
4024	" 532	386½ "	2000
4108	" 533	316½ "	2300
7700	Lib. 85, p. 375	315 "	withdrawn.

One mortgage was withdrawn, for the purpose of commencing a suit on the bond. The amount received was \$22,000. John McDonald, of New-York, was the purchaser. The mortgages sold for an amount sufficient, within \$10,000, to redeem the circulation of the bank. The entire securities of this bank, deposited with the bank department, were as follows:

Bonds and mortgages, .....	\$49,808
New-York State 5 per cent stock, .....	4,236
" " 6 per cent do., .....	24,700
United States 6 per cent do., .....	1,800
Cash on deposit, .....	22,823
	<hr/>
	\$103,367

On which circulating bills had been issued to the amount of \$88,000.

The superintendent of the bank department, Mr. D. B. St. John, re-sold the mortgage bonds of the Merchants' and Mechanics' Bank of Oswego, at the rotunda of the Merchants' Exchange, in this city, the first purchaser having failed to fulfill his bargain. The bonds sold as follows:

<i>Am't for which bond and mortgage were given.</i>	<i>Mortgage recorded in Erie county clerk's office.</i>	<i>Lands situate in Holland, Erie county.</i>	<i>Amount sold for.</i>
\$4705	Lib. 88, p. 521	541 $\frac{1}{2}$ acres.	\$625
3981	" 522	301 $\frac{1}{2}$ "	600
4370	" 523	492 $\frac{1}{2}$ "	850
3270	" 524	327 "	575
3280	" 525	328 "	625
2828	" 526	202 "	475
4069	" 527	220 $\frac{1}{2}$ "	1125
4069	" 528	220 $\frac{1}{2}$ "	
3777	" 529	361 $\frac{1}{2}$ "	650
4286	" 530	311 $\frac{1}{2}$ "	775
3041	" 531	252 $\frac{1}{2}$ "	625
4024	" 532	386 $\frac{1}{2}$ "	825
4108	" 533	316 $\frac{1}{2}$ "	1050
7700	Lib. 85, p. 375	215 "	925

They were all taken by James Kidd.

The bank department gives notice that the bills of the Merchants' and Mechanics' Bank of Oswego will be redeemed, by the department, at seventy-seven cents per dollar.

TEXAS PUBLIC DEBT.—*Washington, April 12, 1854:* A memorial of the creditors of the late republic of Texas, has been presented to Congress, asking payment. It sets forth their case very plainly, and shows that, both in law and in morals, this government is responsible for a large portion of the public debt of Texas. By the act of annexation of the 3d of March, 1845, which was accepted by a convention of the people of Texas on the 4th of July of the same year, the sovereignty of Texas, as a nation, was destroyed, and she was incorporated into the Union as one of the States. This act rendered our government just as responsible for her debts as it did for her then existing war with Mexico. But this obligation is not, as yet, discharged.

The liability of the government for these debts, at least so far as they were secured by a pledge of "the duties on imports," cannot, it is believed, be successfully questioned before any judicial tribunal; and it has frequently been recognized by Congress, as well as by the executive department of the government. In the official report of the late Secretary of the Treasury, he said: "It is obvious, from the most careless perusal of the law, (the act of 9th September, 1850,) that Congress considered the United States as liable to pay all that portion of the debt of Texas, for the redemption of which 'duties on imports' had been pledged by the laws of Texas." He again says: "It was therefore assumed, that the United States should pay, if Texas did not, all that portion of the debt of Texas, for which duties on imports had been pledged; for the obvious reason, that these duties, thus pledged, were taken from Texas and transferred to the United States."

Texas also ceded her fortifications, navy and navy yards, &c., and "all the vacant and unappropriated public lands lying within its limits, to be applied to the payment of the debts and liabilities of the said republic of Texas; and the residue of said lands, after discharging said debts and liabilities, to be disposed of as said State might direct." These facts show a strong case for the creditors of Texas; and if the debt be a just one, from our government, the delay has been already more than necessary for its liquidation.

CALIFORNIA.—The information received from San Francisco confirms prior advices, that the market is glutted with goods, and that heavy losses will be sustained by shippers from the Atlantic cities. *The Chronicle*, in its review of commercial affairs for the two weeks, says:

"The fortnight now closing has, without exception, been the dullest and most devoid of commercial interest that we have ever known in California. There has been a complete stagnation in all branches of trade. The past week was devoted, as is usually the case on the arrival and departure of the mail steamers, to correspondence, &c.; and, in consequence, little or no business was transacted. The one now closing has been characterized by incessant rain, which, together with a very moderate demand from the interior, made it the dullest we have as yet chronicled. The general tone of our market continues to be very much depressed, and money is very stringent. The advices from the mining and agricultural districts continue very cheering, the weather being favorable to their pursuits. The usual period for our spring trade to begin is fast approaching, and we hope soon to give more favorable accounts of our depressed and sluggish market, or at least of an improved amount of trade. As regards prices, we see no reasonable cause to anticipate any improvement before our stock is greatly reduced, and advices from abroad give us assurance of an entire cessation of shipments to this market."

The *Alta California* says, on the 28th February:

"There has been a better jobbing trade, induced by the contemplated advance in freights, and large amounts of goods have gone forward, (part on first account, however,) and the boats were, at an early hour, filled up. From the hands of importers very little has been done, the self-evident fact staring every one in the face, that large invoices can not be disposed of for cash, no matter what the sacrifice. Those who are compelled to raise funds for the steamer of to-morrow, seem to have waived this source of revenue, and are making other arrangements."

## STOCK OPERATIONS.

WE furnish, annexed, a recapitulation of the sales of leading stocks and loans, in the New-York market, from March 10 to April 14:

SHARES.	Mar. 10.	Mar. 17.	Mar. 24.	Mar. 31.	Apr. 7.	Apr. 14.
U. S. 6 per cents, 1867-8, . . . . .	122	122	122	122	122	123
Panama R. R. shares, . . . . .	109	109	110½	111½	106½	100½
New-York & Erie do. do., . . . . .	80½	80½	77	75½	71½	69½
New-York Central do. do., . . . . .	109½	109½	109½	108	107½	105
Michigan Central do. do., . . . . .	106	107	107½	108	104½	104
Michigan Southern do. do., . . . . .	119	118½	119	118	119½	116
New-York & New-Haven do. do., . . . . .	109½	100½	100½	100½	97	98½
Norwich & Worcester do. do., . . . . .	57½	57	56½	55½	55½	50
Hudson River do. do., . . . . .	68½	67	67	66	64½	63
Reading do. do., . . . . .	60	79½	79½	77	74½	72½
Harlem do. do., . . . . .	55½	54½	56½	54	52½	49
Long Island do. do., . . . . .	33	32½	32	31	29½	27½
Illinois Central do. do., . . . . .	140	130	131	120	190	121
Illinois Central R. R. bonds, . . . . .	86½	86	86½	85½	81	78½
New-York Central do. do., . . . . .	93	93½	94	94½	94	93
Erie R. R. sevens, 1859, . . . . .	100½	101½	101	101½	98½	98
Erie Income bonds, . . . . .	96½	96	96	95½	95	95
Erie Convertibles, 1871, . . . . .	86½	86	86½	87	88	86
Panama R. R. bonds, . . . . .	108½	109	109½	110½	105	105
Pennsylvania Coal Co., . . . . .	105	108½	105	104	103	100
Delaware & Hudson Canal Co., . . . . .	110½	110½	112	111½	108	104
Cumberland Coal Co., . . . . .	81	81	81½	80½	78½	76
Parker Vein Coal Co., . . . . .	7½	7½	7	7½	7½	6
New-Jersey Zinc Co., . . . . .	9½	9½	9½	9	8½	7½
Canton Co.'s shares, . . . . .	28½	28½	28½	28½	26½	24
Nicaragua Transit, . . . . .	27½	27½	27½	26½	26½	25
Hudson River R. R., first mortgage, . . . . .	105	103½	101	108	100	101
Crystal Palace, . . . . .	..	..	..	..	42	50



**COPPER STOCKS.**—The *Detroit Advertiser* publishes the following statement of the present position of thirty-four Lake Superior copper mines, and endorses it as being made up by a person well acquainted with the subject, and as very nearly correct:

	No. of shares.	Amount paid in.	Par value.	Present prices.	Value of mine.
Boston & Pittsburgh, . .	6,000	18½	\$111,000	145	\$970,000
Minnesota, . . . . .	3,000	93	66,000	175	525,000
Copper Falls, . . . . .	10,000	13	130,000	61	610,000
North-west, . . . . .	10,000	15	150,000	25	250,000
North American, . . . .	10,000	17	170,000	75	750,000
North-western, . . . . .	10,000	18	180,000	20	200,000
Norwich, . . . . .	20,000	5	100,000	12	240,000
Forest, . . . . .	10,000	13	130,000	15	150,000
Dana, . . . . .	20,000	1¾	35,000	2½	50,000
Toltec, . . . . .	20,000	4	80,000	12½	250,000
Douglas Houghton, . . .	10,000	5	50,000	8	300,000
Phoenix, . . . . .	10,000	7	70,000	10	100,000
Winthrop, . . . . .	20,000	1¾	25,000	2½	50,000
Iron City, . . . . .	10,000	2½	25,000	3	30,000
National, . . . . .	10,000	3	30,000	32	320,000
Ohio Trap-Rock, . . . .	6,000	12	72,000	29	174,000
Windsor, . . . . .	20,000	2	40,000	5	100,000
Flint Steel, . . . . .	20,000	1½	30,000	6	120,000
Ile Royale, . . . . .	12,000	3	36,000	21	252,000
Nebraska, . . . . .	20,000	¾	10,000	3½	70,000
Portage, . . . . .	20,000	1½	30,000	14	280,000
Algoma, . . . . .	20,000	1½	30,000	4½	90,000
Ripley, . . . . .	40,000	8	120,000	4	160,000
Star, . . . . .	10,000	2	20,000	7	70,000
Montezuma, . . . . .	20,000	¾	10,000	8½	70,000
Manitou, . . . . .	20,000	¾	10,000	2	40,000
Meadow, . . . . .	20,000	1	20,000	4	80,000
Clark, . . . . .	20,000	1	20,000	10	200,000
Glen, . . . . .	20,000	1	20,000	2	40,000
Rockland, . . . . .	20,000	1	20,000	12	240,000
Shawmut, . . . . .	20,000	1	20,000	2	40,000
Albion, . . . . .	40,000	5	200,000	6	240,000
Webster, . . . . .	40,000	2	80,000	2½	90,000
Fulton, . . . . .	100,000	1	100,000	1½	150,000
			\$2,240,000		\$7,088,500

## BANK ITEMS.

**New-York.**—William H. Cary, Esq., was, on the 17th of April, elected president of the Shoe and Leather Bank, New-York.

**New-York.**—Chauncy L. Norton, Esq., has been chosen president of the Bank of the Union, N. Y., in place of J. R. Del Vecchio, Esq., resigned.

**Buffalo.**—The International Bank at Buffalo, will commence operations at Buffalo in June next, with a capital of \$400,000. George W. Tift, Esq., president; Erasmus Prosser, vice-president; and Charles T. Coit, Esq., cashier.

**Rochester.**—Samuel H. Verplanck, Esq., was, on the 14th of March, elected cashier of the Union Bank, Rochester, in place of Ezra M. Parsons, Esq., resigned.

**Syracuse.**—Timothy Brown, Esq., has been elected cashier of the Bank of Salina, in place of Cornelius L. Alvord, Esq., resigned.

**Poughkeepsie.**—Joseph C. Harris, Esq., has been appointed cashier of the Merchants' Bank, in Poughkeepsie.

**State Deposit Banks.**—The following is a list of the banks designated by the Canal Board as depositories of canal tolls for the current year:

New-York City.—Butchers' and Drovers', Knickerbocker, Empire City, Central, and Broadway Banks, one fifth each.

Albany.—Bank of the Capitol, Merchants' Bank, Exchange Bank, and Union Bank.

West Troy.—Commercial, the Manufacturers', Merchants' and Mechanics', Troy City, and Union Bank of Troy. Schenectady.—The Mohawk Bank.

Fultonville.—The Farmers' Bank of Amsterdam.

Little Falls.—Herkimer County Bank.

Utica.—Ontario Branch, Utica City, and New-York Central Bank.

Rome.—Oneida Central, Fort Stanwix, and Rome Exchange Banks.

Syracuse.—Merchants' Bank, Mechanics' Bank, and Syracuse City Bank.

Jordan.—Auburn City Bank.

Montezuma.—Bank of Auburn, and Cayuga County Bank.

Lyons.—Commercial Bank of Clyde, and Palmyra Bank at Lyons.

Palmyra.—The Bank of Newark.

Rochester.—Rochester Bank, Eagle Bank, Commercial Bank, Union Bank.

Brockport.—Bank of Albion. Albion and Medina.—Bank of Orleans.

Lockport.—Exchange Bank, Lockport Bank and Trust Co., Canal Bank, and Western Bank.

Tonawanda, Black Rock, and Buffalo.—Hollister Bank, White's Bank, Oliver Lee & Co.'s Bank, Bank of Attica, Sackett's Harbor Bank, Marine Bank, Farmers' and Mechanics' Bank, Buffalo City Bank, New-York and Erie Bank, and Niagara River Bank. Waterford and Schuylersville.—Saratoga Springs Bank.

Glen's Falls.—The Commercial Bank of Glen's Falls, and Glen's Falls Bank.

Whitehall.—Bank of Whitehall, and Commercial Bank.

Salina.—Salt Springs Bank. Phoenix.—Citizens' Bank of Fulton.

Oswego.—Luther Wright's Bank, and the City Bank of Oswego.

Geneva.—Bank of Bainbridge, and Bank of Geneva. Havana.—Bank of Havana.

Horse Heads.—Chemung Canal Bank, and Bank of Chemung.

Corning.—Bank of Corning. Dresden.—Bank of Bainbridge.

Penn Yan.—Yates County Bank. Hamilton.—Bank of Hamilton.

Oxford.—Bank of Chenango. Binghamton.—Bank of Binghamton.

Booneville.—Fort Stanwix Bank of Rome.

Scottsville and Mount Morris.—Genesee Valley Bank.

Dansville.—Bank of Dansville. Oramel.—Monroe Bank at Cuba, Alleghany co.

Higgins.—Oneida Valley Bank. Baldwinsville.—Mechanics' Bank of Syracuse.

Salt deposits to be deposited in Onondaga County Bank.

It will be seen that the operations at the clearing-house are heavier than at any time preceding. It has now been in operation twenty-six weeks, having received and distributed, with very little labor, without any material error, nearly three thousand millions of dollars.

**MASSACHUSETTS.**—Bills have passed the Senate to incorporate the South-End Savings Bank, Boston; the Vineyard Bank, at Edgarton; the Worcester Five Cent Savings Institution; and the People's Five Cent Savings Bank, Boston.

**The Boston Five Cent Savings Bank.**—The petitioners for the charter of the Boston Five Cent Savings Bank met on Saturday, April 15th. The meeting was called to order by Rev. Mr. Edmands. Tolman Willey, Esq., was chosen chairman, and Walter Littlefield was elected and qualified as clerk. The act of incorporation was read and accepted. A ballot was then taken, and the following gentlemen were unanimously chosen as officers of the corporation:

President, Paul Adams, Esq. Vice-Presidents, Hon. Charles Hudson, Adam W. Thaxter, jr., Hon. Isaac Livermore, Frederick Gould, E. B. Foster, John Gove, Rev. Edward Edmands, B. B. Mussey, Rev. Rollin H. Neale, William Beale, Rev. A. L. Stone, George W. Warren.

By-laws for the corporation were reported by a committee, and, after careful examination and revision, were adopted. At a meeting of the trustees, A. H. Evans, Esq., was unanimously chosen treasurer; and a committee was appointed forthwith to procure and fit up an office for the business of the institution.

Rev. Edward Edmands started the movement in Boston for a Five Cent Savings Bank, as an institution to induce poor persons, and particularly children, to save their small sums of money, and thus acquire habits of frugality and economy. He succeeded in exciting an interest in this subject among a large number of the substantial business men of Boston, who signed a petition with him for a charter, and this bank is the result. As soon as suitable office accommodations can be obtained, it will be ready to receive deposits of sums of any amount, from *five cents to one thousand dollars*. It starts with a cash capital of about \$700, presented by a gentleman for the purpose of paying the expenses incidental to putting it in operation. This bank is established for the benefit of the people. It promises to be a popular institution, and will be a desirable plan of deposit.

*Boston.*—The Cochituate Bank suspended business on Saturday, April 15th. It is understood that the bills and deposits amounted to \$457,000, on that morning. The capital is \$250,000, and, as the stockholders are held for a further and equal amount, the real assets, as far as the bills and deposits are concerned, are \$500,000; bills, checks, and specie on hand, \$167,000; loan, \$490,000,—total, \$1,157,000. It will thus be perceived, that the security for the bills and deposits is ample, even if one half or three quarters of the loan be worthless—a supposition that, doubtless, is incorrect. We think that the result of the investigation will prove only that the Cochituate has been injudiciously managed, and that its losses will occasion no very serious injury, except to its stockholders. The public and the depositors must be amply secured, in all probability.

We append a correct list of the directors of this bank: S. M. Allen, president; S. S. Perkins, S. C. Demerest, Atkins A. Clark, Nathan Morse.

On Friday, April 14th, the paper of the firm of which the president of the bank is a member, was returned from New-York, under protest, to a considerable amount. This caused the failure of the firm, a fact which was generally reported on Saturday morning, before bank hours. On Saturday, also before bank hours, the president of the Cochituate called upon the president of another institution, and stated that his bank was in trouble, or was likely to be, and inquired whether something could not be done to sustain it. Nothing definite, however, was said or requested; and the only practical result was the drawing of the bank balances owed by the Cochituate to its neighbors, and the rapid growth of a feeling of distrust in the former. The news that the Cochituate was in more or less difficulty soon spread abroad. The bills were refused by the other banks, and specie was demanded for them at the Cochituate, which redeemed all that were presented up to about one o'clock in the day.

*Metropolitan Bank.*—We perceive that the Senate have passed a bill granting a charter for a new bank in this city, as petitioned for by Robert B. Williams and others. The gentlemen asking for this charter are money-lenders, men of solid capital. The stock has all been subscribed for, and the list includes the names of our most enterprising merchants and citizens. There is quite a general feeling, we find, in financial circles, that in the appointment of the new banking capital this year by the legislature, the portion allowed to Boston was not sufficient to meet the increasing business of our city. That opinion, it seems, also exists in the Senate, and we doubt not the House of Representatives will pass the bill granting a charter to the petitioners for the Metropolitan Bank.—*Boston Transcript*.

*PENNSYLVANIA.*—*Pittsburgh, April 15.* The trial of Messrs. Hagen, Davis, Morris, and Lawson, on the charge of conspiracy, in an effort to extort \$110,000, under the small-note law, from the Pennsylvania Railroad and other companies, was concluded to-day. After an eloquent speech to the jury, by A. Stokes, Esq., for the prosecution, Judge McClure charged them strongly on the side of the prosecution. After an absence of three hours, the jury returned a verdict of guilty, when Mr. Stokes moved for a sentence forthwith. It was discovered, however, that none of the defendants were present, having all forfeited their bail. Warrants were issued for their arrest immediately. Morris and Lawson have not yet been found, but Hagen and Davis have been committed to jail. There is general rejoicing at this result, which is considered a vindication of law.

CONNECTICUT.—Dyer Ames, Esq., formerly cashier of the Waterbury Bank, has been appointed cashier of the Farmers' Bank at Bridgeport, in place of John S. Smith, Esq., resigned.

NEW-JERSEY.—Mr. Archibald Parkhurst, first teller of the Newark Banking and Insurance Company, has accepted an offer to become cashier of the Farmers and Merchants' Bank, Middletown Point.

OHIO.—A. E. Foot, Esq., has been chosen cashier of the Merchants' Bank, Cleveland, in place of Jesse F. Taintor, Esq., who has resigned on account of ill health.

Cleveland.—William H. Stanley, Esq., for some years cashier of the City Bank, has been elected cashier of the Forest City Bank. Albert Clark, Esq., late auditor of Cuyahoga county, succeeds Mr. Stanley as cashier of the City Bank at Cleveland.

MISSOURI.—The Boatmen's Savings Institution, in St. Louis, was robbed on Wednesday night, April 5th, of about \$18,000 in notes of the Bank of the State of Missouri, and a little over \$1000 in gold. The robber left another sum in gold, amounting to over \$4000, and several checks, in the same safe, untouched. The precise manner in which the entrance into the office was effected, and the safe opened, is not known. The board of directors adopted a resolution, making themselves personally liable for the deficiency in the funds which has been created by this robbery.

GEORGIA.—On and after the first day of June next, the corporate name of "The Marine and Fire Insurance Bank of the State of Georgia," will be "The Marine Bank of Georgia," in accordance with an act of the legislature, approved February 13, 1854. By this law, all contracts, &c., of the former institution will be valid under the new. Section fifth provides that the capital of the bank may be increased to two millions of dollars; and, further, that the bank may establish a branch or branches in Georgia, "under such regulations as the board of directors may deem proper." Charles F. Mills, Esq., has been elected president of the bank.

SOUTH CAROLINA.—At a meeting of the stockholders of the People's Bank, held yesterday morning, in the parlor of the Bank of Charleston, after considerable discussion, in which Messrs. Trenholm, W. Whaley, Yeadon, L. J. Moses, A. P. Hayne, and Campbell, took part, all differences were compromised, and it was determined to call in the whole of the unpaid capital of the bank, between the present time and the first day of November next; and that interest, at the rate of six per cent per annum, should be charged on all amounts unpaid, on or after the 20th inst. This gives to each stockholder the option of paying up the residue of his subscription in full, at once, or as soon as he pleases before the expiration of the limited period, in order to escape the payment of intermediate interest. We congratulate the community on this auspicious termination of an unhappy controversy, and on the fair prospect that the People's Bank will soon be in the full tide of successful experiment, discounting freely for the benefit of the people.—*Charleston Courier, March 14.*

BANK OF THE UNITED STATES.—*Notice of Dividend:* Notice is hereby given by the undersigned, surviving trustees of the Bank of the United States, under deed of June 7, 1841, that it is their intention to make, declare, and pay a further dividend, out of the assets in their hands, to and amongst the creditors of the trust, namely, the holders of the notes, post notes, and deposits mentioned and intended by the aforesaid deed, at their office, No. 16, in house No. 70 Walnut street, Philadelphia, between the hours of 10 o'clock A. M. and 2 o'clock P. M. of the 30th day of June, A. D. 1854, when and where all persons interested are requested to appear.

They are further notified to come forward and prove their respective debts or demands, before the time thus appointed for making and declaring said dividend.

It is expected the above dividend will be of principal and interest. Balances due on deposits in Bank of United States are included.

PHILADELPHIA, March 14, 1854.

JOHN BACON, } Trustees.  
THOMAS ROBINS, }  
W. H. HOOD, Secretary.

VIRGINIA.—The Merchants' Bank of Virginia has been established at Lynchburg, under the general banking law of the State. President, David R. Edley, Esq.; cashier, Robert C. Mitchell, Esq. The present capital paid in, \$369,300; circulation secured by Virginia State stocks; and the stockholders individually liable for the debts of the bank.

BANK STOCKS.—Dividends of the banks of Boston, on the first Monday of April:

BOSTON BANKS.	Capital, March, '54.	1852.		1853.		1854.	Am't.
		Apr.	Oct.	Apr.	Oct.	Apr.	
Atlantic, . . . .	\$500,000	4	4	4	4	4	\$20,000
Atlas, . . . . .	500,000	3½	8½	3½	3½	3½	17,500
Blackstone, . . .	350,000	8	4	4	4	4	14,000
Boston, (par \$50,) .	900,000	4	4	4	4	4	36,000
Boylston, . . . .	800,000	4½	4½	4½	5	5	15,000
Broadway, . . . .	100,000	New, December 20, 1853.				0	..
City, . . . . .	1,000,000	3½	8½	3½	3½	8½	25,000
Cochituate, . . .	250,000	4	4	4	4	4	10,000
Columbian, . . . .	500,000	3½	8	8	8½	3½	17,500
Commerce, . . . .	2,000,000	4	4	4	4	4	80,000
Eagle, . . . . .	700,000	3½	8½	3½	4	4	28,000
Elliot, . . . . .	800,000	New, October 6, 1853.				3	9,000
Exchange, . . . .	1,000,000	4	4	4	4	4	40,000
Faneuil Hall, . . .	500,000	3	4	4	4	4	20,000
Freeman's, . . . .	850,000	4½	4½	4½	4½	5	17,500
Globe, . . . . .	1,000,000	4	4	4	4	4	40,000
Granite, . . . . .	900,000	4	4	4	4	4	36,000
Grocers', . . . . .	500,000	4	4	4	4	4	20,000
Hamilton, . . . . .	500,000	4	4	4	4	4	20,000
Howard, . . . . .	500,000	New, August 23, 1853.				4	20,000
Market, (par \$70,) .	560,000	5	5	5	5	5	28,000
Mass., (par \$250,) .	800,000	3	3	2	3	3 1-5	25,000
Mechanics', . . . .	200,000	4	4	4	4	4	8,000
Merchants', . . . .	4,000,000	4	4	4	4	4	160,000
National, . . . . .	200,000	New, August 1, 1853.				4	12,000
New-England, . . .	1,000,000	4	4	4	4	4	40,000
North, . . . . .	750,000	3½	8½	3½	3½	4	30,000
North America, . .	750,000	4	4	3½	4	4	30,000
Shawmut, . . . . .	500,000	4	4	4	4	4	20,000
Shoe and Leather, .	1,000,000	4	4	4	4	4	40,000
State, (par \$60,) .	1,800,000	3½	3	3½	8½	3½	68,000
Suffolk, . . . . .	1,000,000	5	5	5	5	5	50,000
Traders', . . . . .	600,000	4	3½	4	4	4	24,000
Tremont, . . . . .	1,250,000	4	4	4	4	4	50,000
Union, . . . . .	1,000,000	4	4	4	4	4	40,000
Washington, . . . .	500,000	3½	3	3	3½	4	20,000
Webster, . . . . .	1,500,00	New, August 15, 1853.				8½	52,500
							\$1,088,600
Amount of Dividends, April, 1852,							\$958,500
" " Oct'r, 1852,							952,000
" " April, 1853,							961,500
" " Oct'r, 1853,							980,250
" " April, 1854,							1,088,600

The following new banks pay dividends for the first time, April 8, 1854: Elliot, 3 per cent; Howard, 4 per cent; National, 4 per cent; Webster, 3½ per cent. The Broadway Bank has been in operation but about three months, and pays no dividend. The Freeman's pays an increase of ½ per cent over the last dividend, and the North ½ per cent. The Massachusetts pays an advance of 1-5 per cent, and the Washington ¼ per cent.

## Notes on the Money Market.

NEW-YORK, APRIL 24, 1854.

*Exchange on London, at sixty days' sight, 9@9½ premium.*

THE condition of the money market is less favorable now than it was a month since. Without any real cause for the change, the rates on loans have advanced from 2 to 4 per cent. We quote prime business paper 10@12 per cent, and second grade 12@15. Money can be had on call, with prime collaterals, at 7@9 per cent; but there seems to be a disposition to avoid investments in time paper. The discount lines of the banks in this city have been very uniform for the last two months; but there continues an active demand for capital, beyond the ordinary means of the banks and insurance companies to meet.

There is a continual drain upon the market from the South and West, in behalf of new railroad enterprises, copper-mining companies, and for manufacturing purposes. Of the new railroad undertakings, many of them were commenced twelve or eighteen months ago, when the money market promised better facilities for their construction and final completion. Obstacles have arisen to the progressive movement of the market, which have seriously interfered with the execution of many of these new concerns. The first of these is the contraction in the discount line of the New-York city banks, since June last, as will be seen by the annexed summary of their loans, specie, circulation, and deposits:

	Loans.	Specie.	Circulation.	Deposits.
September, 1849, . . . . .	51,079,520	8,022,250	5,990,100	23,551,092
September, 1850, . . . . .	62,886,522	9,056,135	6,695,010	37,230,380
September, 1851, . . . . .	65,426,353	6,082,463	7,376,114	36,957,870
September, 1852, . . . . .	88,815,464	8,702,895	8,678,664	50,216,410
Feb'y 26, 1853, . . . . .	95,274,876	8,991,630	9,274,025	57,556,507
June 11, 1853, . . . . .	95,520,656	12,174,509	9,084,106	59,078,171
August 6, 1853, . . . . .	97,899,617	9,746,452	9,510,465	60,994,568
Sept'r 3, 1853, . . . . .	91,741,338	11,268,049	9,554,294	57,562,970
October 1, 1853, . . . . .	90,149,540	11,281,912	9,521,665	57,968,661
Nov'r 5, 1853, . . . . .	88,092,630	11,771,880	9,492,158	55,500,977
Dec'r 3, 1853, . . . . .	85,824,756	12,830,772	9,133,586	58,435,267
January 7, 1854, . . . . .	90,133,887	11,506,124	9,075,129	60,835,362
February 4, 1854, . . . . .	90,549,577	11,634,653	8,996,657	61,208,466
Feb'y 18, 1854, . . . . .	92,698,085	11,742,384	8,954,464	61,826,669
March 4, 1854, . . . . .	94,558,421	10,560,400	9,209,830	61,975,675
March 18, 1854, . . . . .	93,418,929	10,018,456	9,255,781	61,098,605
April 1, 1854, . . . . .	92,825,024	10,264,009	9,358,554	59,225,902
April 8, 1854, . . . . .	92,551,808	10,188,141	9,713,215	60,266,839
April 15, 1854, . . . . .	91,636,274	11,044,044	9,583,998	60,325,191
April 22, 1854, . . . . .	90,376,840	10,526,976	9,358,554	59,225,902

This check upon new enterprises, as produced by the action of Wall street, we consider a healthy one. Speculation had become too active, and beyond the bounds of prudence. This is seen in the largely increased imports of foreign goods during the eighteen months prior to January, 1854, thereby driving a large amount of specie funds into the sub-treasury. Notwithstanding the large redemption, weekly, of the public debt of the U. S., the sub-treasury at New-York holds no less than \$3,430,000 in coin.

Another, and a more recent cause of the existing stringency, is the existing war in Europe. The London market has, for many years, been resorted to for the negotiation of American, as well as continental, loans. We have derived large accessions to the active resources of the country, by borrowing in Lombard street. Not only is this customary source of capital closed to us for the present, but the political troubles in Europe, demanding immense expenditure, and the negotiation of large government loans, have a tendency to throw back upon this market considerable amounts of U. S. and State securities. It is true, that we continue to receive from London fresh orders for investments on foreign account, but these do not much exceed the sums sent home for sale, by foreign holders.

## THE BUSINESS AT THE CLEARING-HOUSE, SINCE JAN. 1, 1854.

WEEK.	CLEARED.	BALANCES.	WEEK.	CLEARED.	BALANCES.
Jan. 3, . . . . .	\$98,220,192	\$6,150,091	Feb. 27, . . . . .	\$109,970,248	\$5,618,883
" 9, . . . . .	105,850,625	5,889,200	Mar. 6, . . . . .	121,919,396	5,872,295
" 16, . . . . .	107,281,435	5,344,895	" 13, . . . . .	115,625,688	6,080,708
" 21, . . . . .	106,555,580	4,982,286	" 20, . . . . .	124,922,128	6,169,546
" 28, . . . . .	101,004,929	4,735,963	" 27, . . . . .	114,261,026	5,345,085
Feb. 6, . . . . .	18,398,837	6,154,177	Ap'l 3, . . . . .	117,697,377	5,522,886
" 13, . . . . .	108,250,076	5,748,860	" 10, . . . . .	127,758,570	6,223,802
" 20, . . . . .	111,413,265	5,786,576	" 17, . . . . .	123,572,764	5,859,043



The total clearings from the 11th of October, when the clearing-house was opened, to the 17th of April, were \$3,047,195,550, or about twenty millions of dollars *per day*. This large sum has been liquidated by means of only \$157,930,828 in coin and coin certificates, or less than one million of dollars per day.

A few days since a debate took place in the United States Senate, upon the proposition to reduce the duty on railroad iron, or to allow railroad companies the term of five years for the payment of duties. Senator Douglas proposes, instead, to let them off without paying any duties at all, until 1857. Messrs. Seward and Bell opposed this proposition, the former because of the manifest injustice of favoring railroad companies at the expense of other branches of industry, and because it would operate to stop American iron manufactures until 1857, and render its chances of existence thereafter, at the least precarious.

Senator Rusk has introduced a bill providing for the transportation of the mails of the United States on railroads; which was read twice, and referred to the committee on post-offices and post-roads. The bill provides that all railroad companies, who shall contract to carry the United States mails and troops, and munitions of war, free of charge, shall be allowed to import, free of duty, all iron necessary for the construction, use, and repair of such roads; the postmaster-general to have power to regulate the manner and times of the transportation of such mails. To all such companies who shall contract as aforesaid, and who shall construct a good, substantial, double-track road, there shall be granted six sections of the public lands for each mile of said road so constructed.

A measure of this kind will essentially aid the railroad companies that assent to it.

Among the acts passed at the present session of the legislature, we observe the following in reference to railroads and banks:

I. To authorize the railroad corporations of this State to subscribe to the capital stock of the Alleghany Valley Railroad, Pennsylvania.

II. To authorize the New-York and Erie Bank to remove its place of business from Dunkirk to Buffalo.

III. Providing for the appointment of an additional number of notaries public and commissioners of deeds in the city of New-York.

IV. Directing the copies and certificates of association of banks to be transferred from the secretary's office to the banking department.

V. To incorporate the Yonkers Savings Bank. 2. The Sixpenny Savings Bank in the city of Rochester. 3. Niagara County Savings Bank. 4. The New-Amsterdam Savings Bank.

VI. To increase the capital stock of the Buffalo, Corning, and New-York Railroad Company.

VII. To compel the redemption, within three years, of the circulation of those banks whose charters have expired.

VIII. An act to amend the general banking law, so as to secure testimony from individual bankers in certain cases.

The total export of gold from San Francisco during the past year (1853) is shown by late returns to have been \$54,906,956. We have, by the last arrivals from Australia, official reports which show that the value of the gold exported from the colony of Victoria during the year 1853 was about £14,000,000 sterling; from New South Wales, £6,000,000, part of which, it was supposed, had been received from Victoria. The yield of the New South Wales fields had been for some months decreasing. This would make the total export, from the two colonies, about one hundred millions of dollars for the year, against \$54,906,956 from California,

We annex the current rates, at New-York, for bills and uncurrent bank notes:

On	Drafts.	B's Notes.	On	Drafts.	B's Notes.
Boston, . . .	$\frac{1}{2}$ @ $\frac{3}{4}$ dis.	$\frac{1}{2}$ @ $\frac{3}{4}$ dis.	Cincinnati, . . .	@1 $\frac{1}{2}$ dis.	@2 dis.
Baltimore, . . .	@ $\frac{1}{2}$ "	$\frac{1}{2}$ @ $\frac{3}{4}$ "	Louisville, . . .	@2 "	@2 "
Richmond, . . .	@1 $\frac{1}{2}$ "	@1 "	Memphis, . . .	2 @2 $\frac{1}{2}$ "	@2 $\frac{1}{2}$ "
Charleston, . . .	@1 $\frac{1}{2}$ "	@1 $\frac{1}{2}$ "	St. Louis, . . .	1 $\frac{1}{2}$ @1 $\frac{1}{2}$ "	@1 $\frac{1}{2}$ "
Savannah, . . .	@1 $\frac{1}{2}$ "	@1 $\frac{1}{2}$ "	Detroit, . . .	@1 $\frac{1}{2}$ "	@1 $\frac{1}{2}$ "
Mobile, . . .	1 $\frac{1}{2}$ @1 $\frac{1}{2}$ "	@1 $\frac{1}{2}$ "	Chicago, . . .	@1 $\frac{1}{2}$ "	@1 $\frac{1}{2}$ "
New-Orleans, . . .	1 @1 $\frac{1}{2}$ "	@1 $\frac{1}{2}$ "	Vicksburgh, . . .	@2 "	none.
Pittsburgh, . . .	@1 "	$\frac{1}{2}$ @1 "	Indianapolis, . . .	@1 $\frac{1}{2}$ "	1 $\frac{1}{2}$ @1 $\frac{1}{2}$ "

The Vienna correspondent of the *London Times*, under date March 19, states that the fifty million loan has been subscribed.

"We are officially informed that the whole 50,000,000 fl. has been taken, more than the sum required having been subscribed. As the amount taken at the bank was but twenty-six millions and a half, the remainder must have been subscribed by the banking world. Among the subscribers figured Rothschild for nine millions, Sina for five millions, and Arnstein & Eskelles for four millions. It is said that among the foreign subscribers are Hope & Baring. The new loan was yesterday quoted at  $\frac{1}{4}$  per cent premium, but shares have already been ceded somewhat lower than 90, the price of issue.

THE  
BANKERS' MAGAZINE,  
AND  
Statistical Register.

---

VOL. III. NEW SERIES.

JUNE, 1854.

No. XII.

---

THE FINANCIAL PROSPECTS OF GREAT BRITAIN.

*I. Condition of the Bank of England. II. Loans of the British Government for fifty years past. III. Results of War.*

FEARS have been expressed in some quarters that the present drain upon the Bank of England, when coupled with a continued and exhausting war, will create a suspension of specie payments by that bank and by other monied institutions in England at an early day. In fact some have even given shape to their fears by expressing the opinion that, *on the firing of the first English gun against the Russians*, this great calamity would immediately follow.

There is no foundation for such fears. England can stand up under a heavier debt than she is now burdened with, and the country is prosperous throughout. Her shipping and manufacturing interests are in the best condition, and money abundant at  $4\frac{1}{2}$  or 5 per cent on adequate securities. The contraction that has been going on in England since the prospect of war occurred has fortified the community financially, and it may be truly said that that country was never in a better condition than at present to meet the exigencies of the day.

The British government has been it is true a large borrower, and is again in the field for a loan of six millions sterling in aid of the exchequer. But that country is now far better able, from increased population and increased wealth, to sustain its immense debt than it was during the



troubles period of 1797 to 1815, at which latter year the heavy loans for war purposes ceased.

We annex a summary of the public debt, contracted at various times from 1793 to 1847, with the rate of interest on each loan :

*Loans raised since 1793 for use of the British government, with the rates of interest.*

Year.	Amount. £.	Per Cent. £. s. d.	Year.	Amount. £.	Per Cent. £. s. d.
1793.....	4,500,000	4 3 4	1805.....	1,500,000	5 16 4
1794.....	11,000,000	4 10 9	1806.....	20,000,000	4 19 7
1795.....	22,600,000	4 15 8	1807.....	14,200,000	4 14 7
1796.....	18,000,000	4 14 9	" .....	1,500,000	4 16 4
" .....	7,500,000	4 12 2	1808.....	10,500,000	4 14 6
1797.....	18,000,000	5 12 6	1809.....	14,600,000	4 11 7
" .....	16,120,000	6 6 10	1810.....	13,400,000	4 4 2
1798.....	17,000,000	6 4 9	1811.....	12,000,000	4 13 6
1799.....	3,000,000	5 12 5	1812.....	22,500,000	5 5 7
" .....	15,500,000	5 5 0	1813.....	27,000,000	5 8 4½
1800.....	20,500,000	4 12 2	" .....	22,000,000	5 6 2
1801.....	28,000,000	5 5 6	1814.....	24,000,000	4 14 1
1802.....	25,000,000	3 19 2	1815.....	36,000,000	5 12 4
1803.....	12,000,000	5 2 0	1835.....	15,000,000	5 12 4
1804.....	14,500,000	5 9 2	1847.....	8,000,000	3 7 6
1805.....	22,500,000	5 3 2			
Total.....				£497,920,000	

The Bank of England suspended specie payments in the month of May, 1797, by virtue of an act known as the *Bank Restriction Act*. In the year 1797, the Bank of England first issued notes for £1 and £2, in order to meet the increasing demand for currency. The suspension was continued until the year 1819. On the 1st of May that year, Bank of England notes were, by statute, payable in gold at £3 17s. 10½d. per ounce. The bank was well able to sustain this move. Its circulation in 1817 was £29,543,000, and the bullion on hand £11,688,000.

The rate of interest now paid averages less than 4 per cent, the last loan having been contracted at about 3.40. The last official statement that we have seen of the aggregate debt, fixes it as £782,869,000 sterling, of which about £515,000,000 is at 3 per cent.

In the year 1821, when the population of Great Britain was only 14,000,000, the debt was £832,000,000; the country embarrassed and just recovered from the difficulties arising from a resumption of specie payments.

Whereas, now, with a population of twenty-one millions, (besides that of Ireland,) with large accumulations of gold from Australia and from California; with an export trade of £71,400,000, which is rapidly increasing; and with coin and bullion in the Bank of England alone to the extent of £13,500,000, there need be no fear of any sudden revulsion in commercial or financial affairs in Great Britain.

There is nothing more worthy of being noted in the present attitude of England than the confidence of her capitalists. Both the government and the people of that country were slow to make up their minds for

war. But from the first they looked the dangers of it calmly in the face. There was no panic in anticipation of its declaration ; there was none in consequence of it. There was, indeed, so much calm courage in the public mind in the presence of a war, the end of which could not be foreseen, nor its limits circumscribed, that there was not any occasion for covering up a lack of pluck under a show of blustering and loud talking. We heard of little bragging, but of much preparation. All men consented to be taxed. All men rallied around the government. There was no timid selling of the public securities—no failures of private enterprise—no run upon the banks—no hoarding of money. Only a prudent disposition prevailed to avoid embarking in new undertakings of a character at all speculative. The tide of foreign investments was cautiously allowed to ebb. There was a gradual concentration of means to meet exigencies, in so far as it could be accomplished without loss. As was to be expected, a small smart game was played in consols at the public exchange ; yet the depression of the funds was but trifling and gradual. The safe and profitable investments in American securities were left unchanged. All the great branches of trade and manufactures were prosecuted with a vigor unabated by war and war's alarms. There was, indeed, no lack of panic-makers and heralders of rumors, who were endeavoring to turn a dishonest penny by operating upon the fears of the foolish. But in the main, the capitalists of England held on, though cautiously and circumspectly, the even tenor of their way. And why should they not ? During the long war with Napoleon, the prosperity of all forms of English enterprise was greater than they ever had been before. The suspension of specie payment served only to enhance it. And why should it not be so again ? Surely the cessation of the direct trade with Russia cannot materially affect the profitable courses of British trade the world over. Even should the war prove to be a long and a general one, all experience as well as reason goes to show that it cannot undermine the broad foundations of the nation's prosperity. With specie flowing in from the mines of two continents, even the suspension of cash payments by the Bank of England, should it become advisable, could not be attended with greater inconvenience, to say the most, than during the last war, when there was little other than paper money in the kingdom. And not only does history prove that the prosperity of the British isles cannot be shaken by foreign war, but, on the contrary, a state of war, by checking the formation of extravagant and profitless speculations, has a tendency to enable all legitimate kinds of business to be carried on at a certain advantage. Such is already the obvious tendency of the present contest ; and with an accumulation of the wealth of thirty years of peace, with the collected resources of a trade with India and the world, both Eastern and Western, such as was never before seen, it cannot reasonably be expected either that the British government will find any difficulty in raising funds to meet its payments, or that individuals engaged in honest and productive industry are to be turned from their course by any vague fears of unseen disasters, or that capitalists holding stocks are going to make a sacrifice of their money, whether invested at home or abroad, in anticipation of an adversity which war has never yet brought home to the experience of Englishmen.

Perhaps American capitalists would not learn any thing to their disadvantage should they take a lesson, at the present juncture, from their brethren of the other side of the water. If these walk bravely off with the burdens of a foreign war on their shoulders, shall we in the enjoyment of our unprecedented prosperity be thrown into hysterics at the idea of being obliged to finish with our own means our own great public improvements? Are we not as competent to carry out our policy of peace as they are of war? We think so. We believe there is pluck enough and wealth enough in these States to carry to completion the great works of public utility we have now in hand. The resources of this wide-spread land cannot be estimated. Even its annual growth and increase surpass belief. At this moment there is not one of the great branches of American industry but what is enjoying as large a measure of prosperity as could be desired for it. The cotton growers of the South, who a few years ago were deeply in debt, are now in full means, and able to buy largely of both Western produce and Eastern manufactures. The farmers of our prairies have their pockets as full of money as their fields are of newly-sown wheat. The New-England cotton spinners are paying dividends where dividends were never seen before. The furnaces of Pennsylvania are kept at a white-heat, day and night. The coal companies are digging up money as fast as the miners on the Sacramento, the present demand for this article of trade far outrunning the supply. Ships on the ocean are paying for themselves in half a dozen voyages. Internal navigation is even still more productive. Our railroads, both East and West, are doing a business never before equalled, and will pay an interest of which the present price of their stock furnishes no fair indication. In fact, this species of property is every day becoming more valuable, though its market price is actually falling; for not only is the business of the roads gradually and certainly increasing; but the disposition to construct rival lines has been effectually checked throughout the country—in New-England by the wisdom of experience, and in the West by a fortunate lack of means.

In all this, indeed, there is no cause for vain boasting on our part, but good ground for a comfortable confidence in the future. With a prudent avoidance of enterprises essentially speculative, of fancy interests, and even of all projects which have not a solid foundation in *bona-fide* capital, we, of this country, may safely go forward in all good works heedless of the rumors which, every week, steamers bring from afar, and secure that American interests are not to be damaged by a war which does not threaten to inflict even upon those of France or England, any general calamity.

[From a Correspondent of the *New-York Courier & Enquirer*.]

LONDON, April 19.

ACCORDING to all known rules, the Bank of England ought to raise the rate of discount. The exchanges are against her. Gold is leaving the country. The quantity of bullion in the vaults is only £13,379,000, being £1,600,000 less than at the period of the last change in the rate.

But as there is no demand for money, this last circumstance materially changes the entire aspect of affairs. The Chancellor of the Exchequer alone requires assistance. The whole community for many months, have been curtailing their liabilities to an extent which is truly wonderful. So much so, that the bills of merchants having less than sixty days to run can be discounted at  $4\frac{1}{4}$  per cent. In truth, the Bank of England has been assisting the Chancellor, and furnished him, as usual, with the means of paying the quarterly dividends on the national debt; thus the Bank has materially lessened its reserve to the lowest point, and the public has in its hands for a short time, a surplusage of bank-notes. The feeling is very strong that should the war continue, and any great emergency arise, the government will be prepared with some relaxation of the bank act, which will prevent any crisis, and enable the Bank to meet the new order of things, which certainly was not contemplated by Sir Robert Peel at the time he altered the bank charter.

A very homely illustration of the extent to which business has been contracted, exists in the fact, that around London, there has not been a single foundation made for a new house this spring; and yet the annual demand for new houses is about 7000 around London. In all directions new houses may be seen in the hands of the plasterers, glaziers, and painters, but the bricklayers are idle. The reason is obvious. Men are willing to complete any thing begun, rather than lose the first outlay, but are not willing to enter into any new enterprise. On a much larger scale the same remark holds good: not a single new railroad company makes its appearance, nor any other joint-stock enterprise; but great exertions are being made to complete whatever has been commenced, and as each month rolls on, it is curious to observe how rapidly the different works approach completion, and with the completion, the liabilities of shareholders and contractors are rubbed off. Stocks of all descriptions are very low; guaranteed stocks can be obtained to pay 5 per cent per annum interest, which is very low indeed, and the prices of the leading lines are sufficiently below par to permit of investments being made to pay 5 per cent with the strong probability of large increase in the dividends, arising from the steadily-increasing trade upon them, which still continues notwithstanding the war.

An uncontradicted paragraph is going the rounds of the public press, stating that Holford the great American merchant of the Regent's Park, has bequeathed his large fortune to the Prince of Wales, and it is quite likely to be true. Holford had not, for a long period, taken any notice of his poor relations in Bremen, and the conduct of his only near one in London was not such as met with the sanction of the old gentleman. If Holford's will in general terms, has merely given the property in trust for the Prince, then the whole of the American stocks must be sold with all due diligence, and the proceeds invested in consols. But if the will makes special bequests of the different stocks, mentioning them by name, then the executors must hold the stocks and receive the dividends for the Prince's benefit. Report says Holford was worth £400,000—and it will be very singular if the future king of England should draw £25,000 a year from your Western States. This is about the sum that the

Cornish mines give to him, and it will be very curious if half his private income is from the Yankees. In the course of a few weeks the will must be proved at Doctors' Commons, when I will see it and tell you the true contents.  
H.

## THE LAW OF INDIVIDUAL BANKING IN THE STATE OF NEW-YORK.

[From the Albany Evening Journal.]

As the legal position of an individual bank has become a question of inquiry and discussion, the following was prepared in the case of the WALTER JOY BANK, an individual bank at Buffalo; but the referee, in deciding, seems not to have found it necessary to discuss or decide that point, as in his judgment another and different question controlled that decision; therefore we publish the following for the benefit of those interested:

1. The statute (R. S. 270, sec. 151-152) declares that canal collectors "shall deposit the monies received by them to the credit of the treasurer of this State, at least once in two weeks, in such banks as may from time to time be designated by the Canal Board."

The Canal Board by resolution designated the Walter Joy Bank as a deposit *bank*.

2. The Walter Joy Bank was a bank within the meaning of the statute, and as such could legally receive deposits of canal tolls from the collectors. It was a bank created by law, and was authorized to do the business of banking; and its existence, powers, and privileges as a bank did not depend in any degree upon the question whether it was a corporation or not. It had an actual and legal existence as a bank, and transacted business as a bank; it was a *statutory* bank. Webster defines a bank to be "a place where a collection of money is deposited; a common repository of the money of individuals or of companies; also, a house used for a bank."

Bouvier (Law Dic. 168) says: "Bank—a place for the deposit of money; an institution, generally incorporated, authorized to receive deposits of money, to lend money, and to issue promissory notes, generally known by the name of bank-notes. They are of three kinds: 1, of deposits; 2, of discount; 3, of circulation. They generally perform *all* these operations.

"Banker—a banker is one engaged in the business of receiving other persons' money on deposit, to be returned on demand; discounting other persons' notes, and issuing his own for circulation; one who performs the business usually transacted by a *bank*."

3. The Walter Joy Bank was a *corporation*. The right to do the business of banking is a *franchise* conferred by law. No private person can exercise this franchise; it is expressly prohibited by statute, (1 R. S. 894, sec. 6.) The granting of such a franchise by the government,

to a single individual, creates a *corporation sole*. Story on Contracts, sec. 308, says: "A sole corporation is composed of one person, who is created a corporation in order to confer certain privileges, such as succession, which in his private capacity he would not possess. A corporation is a *political person*, created by law to enjoy a variety of franchises which a *natural person* cannot exercise." (1 Kyd. on Corp. 15.)

The public act conferring the franchise, creates the political person as distinguished from the natural person, whether aggregate or *sole*. "Corporations sole," says Blackstone, (book 1, 496,) "consist of one person only, and his successors, in some particular station; who are incorporated by law, in order to give them some legal capacities and advantages, particularly that of perpetuity, which in their natural persons they could not have had."

The right to grant corporate powers and privileges resides in the government *in perpetuum*, as an attribute of its sovereignty, and the terms, limitations, restrictions, and conditions are exclusively within the range of legislative discretion. The power to grant is inherent in the government, and is recognized in the constitution, which prescribes the mode in which the power shall be exercised; that is, "by general laws," (Art. 8, sec. 4.)

The act to authorize the *business of banking* is a general law creating corporations in the spirit of the constitution. All the *associations* formed under said act have been declared *corporations* aggregate. (*The People against Supervisors of Niagara*, 4 Hill 22; affirmed on error, 7 Hill 504. *The People against Ass. Watertown*, 1 Hill 616. *Thomas against Dakin*, 22d Wend. 22. *Warner against Bars*, 23d Wend. 103. *Leavitt against Blatchford*, 5 Barber, s. c. 9.) See chap. 419 of Laws of 1843, sec. 4, taxation.

The act (see 1 R. S., 3d ed. 752, secs. 2, 3, 4; page 758, secs. 8, 9, 10, 11, 12; page 759, secs. 1, 2; page 761, secs. 8, 9) puts "banking associations" and "individual bankers" on the same footing; they possess the same franchise, the same powers, the same privileges; are subject to the same liabilities, obligations, and restrictions; and are created by the same general law, for the same public purpose.

4. Individual bankers may be restrained by the government, and the charter under which they act may be forfeited and dissolved. And why? Because they are using a franchise granted by the government; and the government may proceed to reclaim it, for acts which work a forfeiture. This is not true of an individual pursuing a lawful calling. The government proceeds against the political or artificial person by *its corporate name*, and a receiver is appointed on the application of the government, and the assets are applied to the payment of the creditors of the corporation. This cannot be done by the government except where it has ousted a political person. 1 R. S. 752, sec. 4; see sec. 11, winding up bank, sec. 1 R. S. 759, sec. 12; Code, sec. 430.

## BANK CAPITAL OF CITIES AND TOWNS IN THE U. STATES.

COMPILED FROM THE LATEST RETURNS.

APRIL, 1854.

MAINE.		NEW-HAMPSHIRE, (cont'd.)	
No. of Banks.	Capital.	No. of Banks.	Capital.
Augusta,.....	3 \$238,000	Portsmouth,.....	3 \$501,000
Bangor,.....	11 1,100,000	Rochester,.....	1 120,000
Bath,.....	4 500,000	Rollinsford,.....	1 50,000
Belfast,.....	1 75,000	Sanbornton,.....	1 50,000
Biddeford,.....	1 150,000	Sandwich,.....	1 50,000
Brunswick,.....	2 135,000	Somersworth,.....	1 150,000
China,.....	1 50,000	Warner,.....	1 50,000
Calais,.....	1 75,000	Winchester,.....	1 100,000
Damariscotta,.....	1 50,000		
Eastport,.....	1 75,000	Total,.....	35 \$3,376,000
Ellsworth,.....	2 125,000		
Farmington,.....	1 100,000	VERMONT.	
Gardiner,.....	2 150,000	Bellows' Falls,.....	1 \$100,000
Hallowell,.....	2 175,000	Bennington,.....	1 100,000
Lewiston,.....	1 75,000	Bethel,.....	1 75,000
Old Town,.....	1 50,000	Brandon,.....	1 50,000
Orono,.....	1 50,000	Brattleboro,.....	1 150,000
Portland,.....	6 1,575,000	Burlington,.....	4 600,000
Richmond,.....	1 50,000	Castleton,.....	1 88,750
Rockland,.....	3 300,000	Chelsea,.....	1 50,000
Saco,.....	2 175,000	Danby,.....	1 50,000
Searsport,.....	1 50,000	Danville,.....	1 75,000
Skowhegan,.....	1 75,000	Derby Line,.....	1 50,000
South Berwick,.....	1 100,000	Irasburg,.....	1 50,000
Thomaston,.....	2 100,000	Manchester,.....	1 50,000
Topsham,.....	1 50,000	Middlebury,.....	1 75,000
Waldoboro,.....	2 100,000	Montpelier,.....	2 200,000
Waterville,.....	2 175,000	Orwell,.....	1 100,000
Winthrop,.....	1 50,000	Poultney,.....	1 50,000
Wiscasset,.....	1 50,000	Proctorsville,.....	1 50,000
Total,.....	60 \$6,023,000	Rutland,.....	1 150,000
NEW-HAMPSHIRE.		South Royalton,.....	1 100,600
Claremont,.....	1 \$100,000	St. Albans,.....	1 50,000
Charlestown,.....	1 90,000	St. Albans Bay,.....	1 100,000
Concord,.....	3 280,000	St. Johnsbury,.....	1 100,000
Dover,.....	3 320,000	Sheldon,.....	1 100,000
East Jeffrey,.....	1 50,000	Swanton Falls,.....	1 75,000
Exeter,.....	1 125,000	Vergennes,.....	1 100,000
Francestown,.....	1 60,000	Wells River,.....	1 75,000
Keene,.....	2 200,000	Windsor,.....	1 50,000
Lancaster,.....	2 100,000	Woodstock,.....	1 60,000
Lebanon,.....	1 100,000		
Manchester,.....	3 375,000	Total,.....	33 \$2,924,350
Meredith Bridge,.....	1 80,000		
Nashua,.....	1 125,000	MASSACHUSETTS.	
Nashville,.....	1 100,000	Abington,.....	1 \$150,000
New-Ipswich,.....	1 100,000	Andover,.....	1 250,000
Newport,.....	1 50,000	Attleborough,.....	1 100,000
Pittsfield,.....	1 50,000	Beverly,.....	1 125,000
		Blackstone,.....	1 100,000
		Brighton,.....	1 250,000

## MASSACHUSETTS, (cont'd.)

	No. of Banks.	Capital.
Cambridge, . . . . .	5	\$550,000
Canton, . . . . .	1	100,000
Charlestown, . . . . .	1	200,000
Chelsea, . . . . .	1	150,000
Chicopee, . . . . .	1	150,000
Concord, . . . . .	1	100,000
Danvers, . . . . .	3	510,000
Dedham, . . . . .	1	250,000
Dorchester, . . . . .	2	200,000
Fairhaven, . . . . .	1	200,000
Fall River, . . . . .	3	950,000
Fitchburg, . . . . .	2	400,000
Framingham, . . . . .	1	200,000
Falmouth, . . . . .	1	100,000
Georgetown, . . . . .	1	100,000
Gloucester, . . . . .	1	300,000
Great Barrington, . . . . .	1	150,000
Greenfield, . . . . .	2	380,000
Haverhill, . . . . .	4	530,000
Hingham, . . . . .	1	140,000
Holyoke, . . . . .	1	200,000
Hopkinton, . . . . .	1	100,000
Lancaster, . . . . .	1	150,000
Lawrence, . . . . .	1	500,000
Lee, . . . . .	1	290,000
Leicester, . . . . .	1	150,000
Lowell, . . . . .	5	1,250,000
Lynn, . . . . .	2	400,000
Malden, . . . . .	1	100,000
Marblehead, . . . . .	2	220,000
Methuen, . . . . .	1	100,000
Milbury, . . . . .	1	75,000
Milford, . . . . .	1	200,000
Nantucket, . . . . .	1	200,000
Newburyport, . . . . .	3	510,000
New-Bedford, . . . . .	4	1,900,000
Newton, . . . . .	1	150,000
Northampton, . . . . .	2	400,000
North Adams, . . . . .	1	250,000
Oxford, . . . . .	1	100,000
Pittsfield, . . . . .	2	350,000
Plymouth, . . . . .	2	300,000
Quincy, . . . . .	2	200,000
Randolph, . . . . .	1	150,000
Rockport, . . . . .	1	100,000
Roxbury, . . . . .	2	250,000
Salem, . . . . .	7	1,760,000
Salisbury, . . . . .	1	100,000
Springfield, . . . . .	6	1,300,000
Southbridge, . . . . .	1	100,000
Stockbridge, . . . . .	1	100,000
Taunton, . . . . .	3	600,000
Uxbridge, . . . . .	1	100,000
Ware, . . . . .	1	250,000
Waltham, . . . . .	1	150,000
Wareham, . . . . .	1	100,000
Westfield, . . . . .	2	300,000
Weymouth, . . . . .	1	150,000
Woburn, . . . . .	1	100,000

## MASSACHUSETTS, (cont'd.)

	No. of Banks.	Capital.
Worcester, . . . . .	5	\$1,200,000
Wrentham, . . . . .	1	150,000
Yarmouthport, . . . . .	1	350,000
Boston, . . . . .	37	30,160,000
Total, . . . . .	153	\$52,200,000

## RHODE-ISLAND.

Bristol, . . . . .	4	\$317,500
Burrillville, . . . . .	1	46,766
Cranston, . . . . .	1	25,000
Coventry, . . . . .	2	94,600
Cumberland, . . . . .	3	297,850
East Greenwich, . . . . .	2	111,960
Exeter, . . . . .	1	26,458
Foster, . . . . .	1	60,000
Glocester, . . . . .	1	38,000
Newport, . . . . .	7	680,000
North Kingston, . . . . .	2	125,000
South Kingston, . . . . .	2	249,500
North Providence, . . . . .	3	390,250
Scituate, . . . . .	1	40,000
Smithfield, . . . . .	3	260,400
Providence, . . . . .	31	11,923,360
Tiverton, . . . . .	1	199,962
Wakefield, . . . . .	3	299,500
Warren, . . . . .	2	275,000
Warwick, . . . . .	2	99,600
Westerly, . . . . .	3	320,850
Woonsocket, . . . . .	3	280,400
Total, . . . . .	79	\$16,161,956

## CONNECTICUT.

Bethel, . . . . .	1	\$100,000
Birmingham, . . . . .	1	254,490
Bridgeport, . . . . .	5	1,049,500
Brooklyn, . . . . .	1	64,600
Danbury, . . . . .	1	98,500
Deep River, . . . . .	1	80,000
East Haddam, . . . . .	2	171,400
Falls Village, . . . . .	1	206,000
Hartford, . . . . .	10	5,476,900
Jewett City, . . . . .	1	44,000
Meriden, . . . . .	1	255,000
Middletown, . . . . .	3	855,600
Mystic, . . . . .	2	152,900
New-Haven, . . . . .	6	2,494,375
New-London, . . . . .	4	544,625
New-Milford, . . . . .	1	100,000
Norwalk, . . . . .	1	184,200
Norwich, . . . . .	6	1,314,130
Pawcatuck, . . . . .	1	75,000
Saybrook, . . . . .	1	86,160
Seymour, . . . . .	1	100,000
Southport, . . . . .	1	103,000
Stamford, . . . . .	1	90,000
Stonington, . . . . .	2	160,000
Thompson, . . . . .	1	60,000



CONNECTICUT, (cont'd.)		
	No. of Banks.	Capital.
Tolland, .....	1	\$86,100
Waterbury, .....	2	610,000
Westport, .....	1	100,000
Windham, .....	1	72,000
Winsted, .....	1	104,000
Woodbury, .....	1	64,620
Total, .....	63	\$15,157,100

NEW-YORK.		
	No. of Banks.	Capital.
Adams, .....	1	\$125,000
Albany, .....	9	2,901,100
Albion, .....	2	275,905
Amenia, .....	1	50,000
Amsterdam, .....	1	117,500
Arietta, .....	1	3,600
Auburn, .....	3	600,000
Bainbridge, .....	1	6,700
Ballston Spa, .....	1	125,000
Batavia, .....	2	200,000
Bath, .....	2	200,000
Belfast, .....	1	5,000
Binghamton, .....	2	250,000
Brockport, .....	1	50,000
Brooklyn, .....	6	1,750,000
Buffalo, .....	12	1,584,500
Canandaigua, .....	2	200,000
Camden, .....	1	120,000
Carmel, .....	2	135,587
Canajoharie, .....	1	100,000
Carthage, .....	1	18,600
Catskill, .....	2	210,000
Chester, .....	1	100,400
Chittenango, .....	1	110,000
Clinton, .....	1	50,000
Clyde, .....	1	64,085
Cherry Valley, .....	1	120,000
Cooperstown, .....	2	250,000
Corning, .....	1	104,500
Cuba, .....	1	50,000
Coxsackie, .....	1	120,000
Cazenovia, .....	1	100,000
Crescent, .....	1	200,000
Dansville, .....	1	150,250
Delhi, .....	1	150,000
Dunkirk, .....	1	12,500
Elmira, .....	2	300,000
Farmer's Mills, .....	1	109,430
Fishkill, .....	1	150,000
Fort Edward, .....	1	128,600
Fort Plain, .....	1	150,000
Frankfort, .....	1	105,000
Friendship, .....	1	5,000
Fredonia, .....	1	50,000
Fulton, .....	1	125,000
Genesee, .....	2	220,000
Geneva, .....	1	200,000
Glen's Falls, .....	2	262,000
Gloversville, .....	1	150,000
Goshen, .....	2	215,660

NEW-YORK, (cont'd.)		
	No. of Banks.	Capital.
Greene, .....	1	\$20,000
Hamilton, .....	1	110,000
Hornellsville, .....	1	100,000
Havana, .....	1	50,000
Herkimer, .....	1	100,500
Hudson, .....	2	400,000
Ilion, .....	1	100,000
Ithaca, .....	2	320,000
Jamestown, .....	1	100,000
Johnstown, .....	1	100,000
Keeseville, .....	1	100,000
Kinderhook, .....	2	350,000
Kingston, .....	2	300,000
Lancaster, .....	1	50,000
Lansingburg, .....	3	420,000
Le Roy, .....	1	150,000
Little Falls, .....	1	200,000
Lockport, .....	4	431,005
Lowville, .....	1	102,450
Lyons, .....	1	37,710
Malone, .....	1	100,000
Martinsburg, .....	1	100,000
Middletown, .....	1	100,000
Mina, .....	1	9,000
Mohawk Valley, .....	1	150,000
Monticello, .....	1	150,000
Mt. Morris, .....	1	100,000
Naples, .....	1	5,000
Newark, .....	1	30,000
Newburgh, .....	4	975,000
New-Paltz, .....	1	125,000
Newport, .....	1	50,000
Norwich, .....	1	120,000
North Granville, .....	1	5,771
Ogdensburg, .....	3	190,000
Oneida, .....	1	105,000
Oswego, .....	2	350,000
Owego, .....	1	200,000
Painted Post, .....	1	5,000
Palmyra, .....	1	100,000
Pawling, .....	1	125,000
Penyan, .....	2	106,700
Peekskill, .....	2	260,234
Pine Plains, .....	1	100,000
Plattsburg, .....	1	52,244
Port Jervis, .....	1	119,000
Potsdam, .....	1	50,000
Poughkeepsie, .....	4	700,000
Rhinebeck, .....	1	125,000
Rochester, .....	6	1,580,000
Rome, .....	4	460,000
Rondout, .....	1	100,000
Sackett's Harbor, .....	1	200,000
Sag Harbor, .....	1	20,000
Salem, .....	1	110,000
Saratoga Springs, .....	1	100,000
Saugerties, .....	2	110,000
Schenectady, .....	2	275,000
Schoharie, .....	1	80,000
Silver Creek, .....	1	92,850

**NEW-YORK, (cont'd.)**

	<i>No. of Banks.</i>	<i>Capital.</i>
Sing Sing, .....	1	\$103,150
Somers, .....	1	111,150
Syracuse, .....	9	1,413,625
Tonawanda, .....	1	104,000
Troy, .....	11	2,891,125
Unadilla, .....	1	129,850
Utica, .....	6	1,735,200
Union Village, ....	1	149,575
Vernon Village, ...	1	100,000
Warsaw, .....	1	50,000
Waterford, .....	1	100,000
Waterloo, .....	1	200,000
Watertown, .....	6	620,584
Waterville, .....	1	120,000
West Day, .....	1	5,000
West Troy, .....	1	164,500
Westfield, .....	2	105,000
Whitehall, .....	2	208,200
Whitestown, .....	1	120,000
Williamsburgh, ....	3	677,630
Winfield, .....	1	100,000
NEW-YORK CITY, ...	57	47,454,400
Total, .....	288	\$80,726,370

**NEW-JERSEY.**

Belvidere, .....	1	\$146,680
Bordentown, .....	1	100,000
Bridgeton, .....	1	52,050
Burlington, .....	1	50,000
Camden, .....	1	260,000
Dover, .....	1	100,000
Elizabethtown, ....	1	200,000
Hightstown, .....	1	50,000
Jersey City, .....	2	200,000
Medford, .....	1	70,000
Morristown, .....	1	100,000
Mount Holly, .....	1	100,000
Middletown Point, .	1	50,000
Newark, .....	4	1,708,000
New-Brunswick, ...	2	190,340
Newton, .....	1	134,080
Orange, .....	1	102,500
Princeton, .....	1	90,000
Rahway, .....	1	130,000
Salem, .....	1	75,000
Somerville, .....	1	50,000
Trenton, .....	2	310,000
Wantage, .....	1	50,000
Total, .....	29	\$4,318,650

**MICHIGAN.**

Ann Arbor, .....	1	\$100,000
Detroit, .....	4	812,000
Mt. Clemens, .....	1	100,000
Total, .....	6	\$1,012,000

**PENNSYLVANIA.**

	<i>No. of Banks.</i>	<i>Capital.</i>
Bristol, .....	1	\$92,220
Brownsville, .....	1	200,000
Carlisle, .....	1	30,000
Chambersburg, ....	1	205,470
Chester, .....	1	155,700
Columbia, .....	1	250,000
Danville, .....	1	150,200
Doylestown, .....	1	89,580
Easton, .....	2	680,000
Erie, .....	1	60,400
Germantown, .....	1	200,000
Gettysburg, .....	1	123,873
Hanover, .....	1	36,000
Harrisburg, .....	2	290,000
Honesdale, .....	1	100,000
Lancaster, .....	4	982,495
Lebanon, .....	1	97,985
Middletown, .....	1	102,000
Norristown, .....	1	387,535
Northumberland, ..	1	160,000
Pittsburg, .....	5	2,743,700
Pottsville, .....	2	300,000
Reading, .....	1	300,360
Washington, .....	1	149,280
Waynesburg, .....	1	100,000
Westchester, .....	1	225,000
Wilkesbarre, .....	1	85,785
Williamsport, .....	1	100,000
York, .....	2	500,000
Philadelphia, .....	15	10,618,600
Total, .....	55	\$19,515,683

**MARYLAND.**

Annapolis, .....	1	\$298,000
Chestertown, .....	1	100,000
Cumberland, .....	2	282,075
Easton, .....	1	271,575
Frederick, .....	3	525,430
Hagerstown, .....	1	250,000
Port Deposit, .....	1	71,150
Westminster, .....	2	110,000
Williamsport, .....	1	135,000
Baltimore, .....	12	7,592,380
Total, .....	25	\$9,635,610

**SOUTH CAROLINA.**

Camden, .....	2	\$400,000
Charleston, .....	8	10,256,735
Chester, .....	1	180,000
Columbia, .....	3	1,300,000
Cheraw, .....	1	400,000
Georgetown, .....	1	200,000
Hamburg, .....	1	500,000
Newberry, .....	1	300,000
Winnsboro, .....	1	300,000
Total, .....	19	\$13,836,735

## DELAWARE.

	No. of Banks.	Capital.
Delaware City, . . . . .	1	\$50,000
Dover, . . . . .	1	186,000
Georgetown, . . . . .	1	120,000
Newcastle, . . . . .	1	138,000
Smyrna, . . . . .	1	100,000
Wilmington, . . . . .	4	846,000
Total, . . . . .	9	\$1,440,000

## DISTRICT OF COLUMBIA.

Georgetown, . . . . .	2	\$400,000
Washington, . . . . .	3	882,300
Total, . . . . .	5	\$1,282,300

## VIRGINIA.

Abingdon, . . . . .	1	\$100,000
Alexandria, . . . . .	3	929,800
Buchanan, . . . . .	1	105,000
Charleston, . . . . .	1	150,000
Charlestown, . . . . .	1	180,000
Charlottesville, . . . . .	2	254,000
Christiansburg, . . . . .	1	100,000
Clarksville, . . . . .	1	200,000
Danville, . . . . .	2	190,000
Fairmont, . . . . .	1	150,000
Farmville, . . . . .	1	150,000
Fredericksburg, . . . . .	2	550,000
Harrisonburg, . . . . .	1	200,000
Jeffersonville, . . . . .	2	218,500
Leesburg, . . . . .	1	180,000
Lewisburg, . . . . .	1	100,000
Lynchburg, . . . . .	4	1,169,300
Martinsburg, . . . . .	1	100,000
Moorfield, . . . . .	1	100,000
Morgantown, . . . . .	1	75,000
Norfolk, . . . . .	3	991,000
Parkersburg, . . . . .	1	100,000
Petersburg, . . . . .	3	1,170,000
Portsmouth, . . . . .	1	225,000
Richmond, . . . . .	3	2,114,000
Romney, . . . . .	1	130,000
Salem, . . . . .	1	100,000
Staunton, . . . . .	2	250,000
Union, . . . . .	1	100,000
Weston, . . . . .	1	100,000
Wheeling, . . . . .	4	1,295,100
Wellsburg, . . . . .	1	118,000
Winchester, . . . . .	3	780,000
Wytheville, . . . . .	1	130,000
Total, . . . . .	55	\$12,784,700

## ALABAMA.

Mobile, . . . . .	2	\$2,000,000
Montgomery, . . . . .	1	300,000
Total, . . . . .	3	\$2,300,000

## NORTH CAROLINA.

	No. of Banks.	Capital.
Asheville, . . . . .	1	\$125,000
Charlotte, . . . . .	2	275,000
Elizabeth City, . . . . .	2	306,678
Fayetteville, . . . . .	3	855,000
Greensboro, . . . . .	1	125,000
Milton, . . . . .	1	125,000
Morganton, . . . . .	1	100,000
Newbern, . . . . .	2	375,000
Raleigh, . . . . .	2	425,000
Salem, . . . . .	1	150,000
Salisbury, . . . . .	1	125,000
Tarboro, . . . . .	1	150,000
Wadesboro, . . . . .	1	200,000
Washington, . . . . .	2	300,000
Wilmington, . . . . .	3	1,050,000
Yanceyville, . . . . .	1	150,000
Total, . . . . .	25	\$4,836,678

## GEORGIA.

Augusta, . . . . .	6	\$2,574,900
Athens, . . . . .	1	100,000
Eatonton, . . . . .	1	100,000
Griffin, . . . . .	1	100,000
Macon, . . . . .	2	200,000
Milledgeville, . . . . .	1	100,000
Savannah, . . . . .	5	2,319,940
Washington, . . . . .	1	100,000
Total, . . . . .	18	\$5,594,840

## OHIO.

Akron, . . . . .	1	\$100,000
Ashtabula, . . . . .	1	100,000
Athens, . . . . .	1	100,000
Bridgeport, . . . . .	1	100,000
Cadiz, . . . . .	1	100,000
Canton, . . . . .	1	50,000
Chillicothe, . . . . .	2	400,000
Cincinnati, . . . . .	6	1,155,526
Circleville, . . . . .	2	300,000
Cleveland, . . . . .	6	520,200
Columbus, . . . . .	3	448,830
Cuyahoga Falls, . . . . .	1	100,000
Dayton, . . . . .	2	177,000
Delaware, . . . . .	1	53,500
Eaton, . . . . .	1	100,000
Elyria, . . . . .	1	74,675
Franklin, . . . . .	1	25,000
Ironton, . . . . .	1	25,000
Lancaster, . . . . .	1	100,000
Logan, . . . . .	1	100,000
Mansfield, . . . . .	1	100,000
Marietta, . . . . .	1	100,000
Marion, . . . . .	1	100,000
Massillon, . . . . .	2	210,000
Mount Pleasant, . . . . .	1	100,000
Mount Vernon, . . . . .	1	100,000

## Ohio, (cont'd.)

No. of Banks.	Capital.
Norwalk, . . . . . 1	\$125,000
Painesville, . . . . . 1	50,000
Piqua, . . . . . 1	100,000
Portsmouth, . . . . . 1	100,000
Ravenna, . . . . . 1	103,000
Ripley, . . . . . 1	100,000
Salem, . . . . . 1	100,000
Sandusky, . . . . . 2	176,500
Springfield, . . . . . 2	125,000
Steubenville, . . . . . 1	100,000
Toledo, . . . . . 2	200,000
Troy, . . . . . 1	100,000
Urbana, . . . . . 1	25,240
Warren, . . . . . 1	75,000
Washington, . . . . . 1	100,000
Wooster, . . . . . 1	88,000
Xenia, . . . . . 1	100,000
Youngstown, . . . . . 1	50,000
Zanesville, . . . . . 2	200,000
Total, . . . . . 65	\$6,897,471

## MISSOURI.

St. Louis, . . . . . 1	\$603,750
Fayette, . . . . . 1	121,000
Cape Girardeau, . . . 1	121,000
Lexington, . . . . . 1	121,000
Palmyra, . . . . . 1	121,000
Springfield, . . . . . 1	121,000
Total, . . . . . 6	\$1,208,750

## LOUISIANA.

New-Orleans, . . . . . 8	\$12,267,120
--------------------------	--------------

## ILLINOIS.

Alton, . . . . . 1	\$100,000
Bellefonte, . . . . . 1	300,000
Belvidere, . . . . . 1	100,000
Bloomington, . . . . . 1	100,000
Charleston, . . . . . 1	50,000
Chicago, . . . . . 8	1,564,000
Danville, . . . . . 1	100,000
Elgin, . . . . . 1	50,000
Galena, . . . . . 1	100,000
Joliet, . . . . . 1	50,000
Naperville, . . . . . 1	100,000
Ottawa, . . . . . 1	150,000
Peoria, . . . . . 1	200,000
Peru, . . . . . 1	100,000
Quincy, . . . . . 1	200,000
Rock Island, . . . . . 1	200,000
Rockford, . . . . . 1	50,000
Springfield, . . . . . 3	550,000
Waukegan, . . . . . 1	50,000
Total, . . . . . 28	\$4,114,000

## WISCONSIN.

No. of Banks.	Capital.
Beliot, . . . . . 1	\$50,000
Janesville, . . . . . 1	25,000
Kenosha, . . . . . 1	50,000
Madison, . . . . . 1	50,000
Milwaukee, . . . . . 3	300,000
Mineral Point, . . . . 1	50,000
Oshkosh, . . . . . 1	50,000
Racine, . . . . . 3	200,000
Watertown, . . . . . 1	25,000
Total, . . . . . 13	\$800,000

## MISSISSIPPI.

Holly Springs, . . . . 1	\$100,000
--------------------------	-----------

## KENTUCKY.

Bowling Green, . . . . 1	\$175,000
Carrollton, . . . . . 1	150,000
Covington, . . . . . 3	1,100,000
Danville, . . . . . 1	220,000
Flemingsburg, . . . . . 1	100,000
Frankfort, . . . . . 2	650,000
Georgetown, . . . . . 1	150,000
Greensburg, . . . . . 1	125,000
Harrodsburg, . . . . . 1	100,000
Hickman, . . . . . 1	150,000
Hopkinsville, . . . . . 1	250,000
Henderson, . . . . . 1	250,000
Lexington, . . . . . 2	1,380,000
Louisville, . . . . . 4	3,260,000
Maysville, . . . . . 2	850,000
Mount Sterling, . . . . 1	200,000
Owensboro, . . . . . 1	300,000
Paducah, . . . . . 2	300,000
Paris, . . . . . 1	370,000
Princeton, . . . . . 1	300,000
Richmond, . . . . . 1	150,000
Russellville, . . . . . 1	400,000
Smithland, . . . . . 1	300,000
Somerset, . . . . . 1	100,000
Versailles, . . . . . 1	100,000
Total, . . . . . 34	\$11,430,000

## TENNESSEE.

Athens, . . . . . 2	\$399,150
Chattanooga, . . . . . 1	100,000
Clarksburg, . . . . . 2	373,931
Columbia, . . . . . 2	340,130
Franklin, . . . . . 1	150,000
Jackson, . . . . . 1	150,000
Knoxville, . . . . . 3	250,000
Lawrenceburg, . . . . . 1	100,000
Memphis, . . . . . 3	450,000
Murfreesboro, . . . . . 1	250,000
Nashville, . . . . . 4	5,341,200

TENNESSEE, (cont'd.)		INDIANA, (cont'd.)	
No. of Banks.	Capital.	No. of Banks.	Capital.
Pulaski, . . . . . 1	\$150,000	Laporte, . . . . . 1	\$200,000
Rogersville, . . . . . 1	254,208	Lawrenceburg, . . . . 1	215,000
Shelbyville, . . . . . 1	223,931	Logansport, . . . . . 4	400,000
Somerville, . . . . . 1	254,208	Madison, . . . . . 1	212,550
Sparta, . . . . . 1	223,934	Michigan City, . . . . 2	170,000
Trenton, . . . . . 1	254,208	New-Albany, . . . . . 2	213,850
		Newport, . . . . . 3	150,000
Total, . . . . . 27	\$9,264,900	Peru, . . . . . 1	100,000
		Plymouth, . . . . . 2	100,000
INDIANA.		Rensselaer, . . . . . 1	50,000
Attica, . . . . . 1	\$50,000	Richmond, . . . . . 1	167,000
Bedford, . . . . . 1	91,763	Rochester, . . . . . 1	50,000
Connersville, . . . . . 2	500,000	Rome, . . . . . 1	150,000
Covington, . . . . . 1	100,000	South Bend, . . . . . 1	102,341
Evansville, . . . . . 2	201,866	Terre Haute, . . . . . 3	357,900
Fort Wayne, . . . . . 1	145,031	Vincennes, . . . . . 1	147,200
Indianapolis, . . . . . 4	469,000	Wabash, . . . . . 1	50,000
Jackson, . . . . . 1	50,000		
Lafayette, . . . . . 4	337,750	Total, . . . . . 44	\$4,781,251

## RECAPITULATION

OF BANK CAPITAL, CIRCULATION, AND COIN; AND OF THE NUMBER OF  
BANKS IN EACH STATE, APRIL, 1854.

	No. of B'ks.	Circulation.	Specie.	Capital.
Maine, . . . . .	60	\$5,317,000	\$1,200,000	\$6,023,000
New-Hampshire, . . . . .	35	3,021,000	180,000	3,376,000
Vermont, . . . . .	33	4,794,000	188,000	2,924,350
Massachusetts, . . . . .	153	25,400,000	3,731,000	52,200,000
Rhode Island, . . . . .	78	4,895,000	359,000	16,161,956
Connecticut, . . . . .	63	6,640,000	800,000	15,157,100
New-York, . . . . .	288	33,400,000	13,200,000	80,726,370
New-Jersey, . . . . .	29	3,500,000	750,000	4,318,650
Pennsylvania, . . . . .	55	17,410,000	7,774,000	19,515,683
Delaware, . . . . .	9	1,000,000	250,000	1,440,000
Maryland, . . . . .	25	5,028,000	3,491,000	9,635,610
District of Columbia, . . . . .	5	350,000	300,000	1,282,300
Virginia, . . . . .	55	12,800,000	4,150,000	12,784,700
North Carolina, . . . . .	25	4,600,000	2,000,000	4,836,678
South Carolina, . . . . .	19	7,500,000	11,600,000	13,836,735
Georgia, . . . . .	18	5,000,000	1,700,000	5,594,840
Louisiana, . . . . .	8	4,500,000	5,000,000	12,267,120
Kentucky, . . . . .	34	12,100,000	3,900,000	11,430,000
Tennessee, . . . . .	27	6,200,000	2,200,000	9,264,900
Ohio, . . . . .	65	10,000,000	2,444,000	6,897,471
Indiana, . . . . .	44	6,514,000	1,270,000	4,781,251
Illinois, . . . . .	28	2,000,000	350,000	4,114,000
Alabama, . . . . .	3	2,000,000	800,000	2,300,000
Missouri, . . . . .	6	2,400,000	1,300,000	1,208,750
Michigan, . . . . .	6	1,200,000	310,000	1,012,000
Wisconsin, . . . . .	13	600,000	200,000	800,000
Mississippi, . . . . .	1	100,000	25,000	100,000
Total, . . . . .	1185	\$188,269,000	\$69,472,000	\$303,989,464

## NEW BANKING LAWS.

## I. TENNESSEE.

AN ACT TO AMEND THE ACT PASSED DECEMBER 14TH, 1827,  
ENTITLED "AN ACT TO SUPPRESS PRIVATE BANKING."

[PASSED MARCH 3, 1854.]

§ 1. *Be it enacted by the General Assembly of the State of Tennessee :*

That before any bank, or banking association, or association of any other State or Territory of this Union, shall keep an office, or agency, or employ any person, association, or corporation, in this State, for the purpose of transacting within this State the business which such banking corporation or association was created to transact, it shall be the duty of the agent of the said banking association to make affidavit before the clerk of the county court, in the county in which such agency is sought to be established, of the amount of capital of said foreign association intended to be used in said county, within twelve months after the making of said affidavit, and pay to the said clerk, one half of one per cent on the amount mentioned in the affidavit, whereupon it shall be the duty of the county-court clerk to issue a license, authorizing the said banking association to establish an agency in the said county, for the use of said amount of capital.

§ 2. *Be it further enacted,* That if the agent of any banking association of any other State or Territory in this Union, shall establish an office or agency in this State, for the purpose of transacting the business of banking, without having first obtained a license, as required by the provisions of the first section of this act, he shall forfeit and pay to the State of Tennessee, the sum of (10,000) ten thousand dollars for each and every offense, to be sued for in any of the circuit courts of this State where the offender may be served with process, and in any other common-law court of this State having general jurisdiction, and the said suit shall be prosecuted in the name of the State of Tennessee, by the attorney general of the district where the defendant may be served with process, and the said money, when collected, shall be accounted for and paid into the treasury as other forfeitures.

§ 3. *Be it further enacted,* That it shall be the duty of the county-court clerk of each county in this State, to report each and every violation of this act in his knowledge to the attorney general for the county in which said clerk resides.

---

AN ACT TO AUTHORIZE THE INVESTING OF CERTAIN MONIES IN STATE BONDS.

[PASSED FEB. 27, 1854.]

§ 1. *Be it enacted by the General Assembly of the State of Tennessee :*

That after paying the interest on the bonds of the State issued for stock in the Union Bank, the balance of dividends and bonus shall be

paid on the order of the governor and comptroller, for six per cent bonds of the State.

§ 2. And the dividends arising from the school-fund stock in the Union and Planters' Banks, shall be paid over on the order of the governor and comptroller for six per cent bonds of the State.

§ 3. It shall be the duty of the said governor and comptroller, to cause the bonds purchased with the proceeds of the dividends on State stock and bonus of the Union Bank, until the amount shall equal the sum paid out of the treasury for the redemption of Union Bank bonds.

§ 4. It shall be the duty of said governor and comptroller, to deposit the bonds purchased with the dividends arising from school-fund stock in the Union and Planters' Banks, in the Bank of Tennessee, and take the receipt of the president of the bank for the same. And the treasurer of the State is hereby directed to draw the interest of said bonds, and distribute annually as other school funds.

Passed Feb. 27th, 1854.

## II. MASSACHUSETTS.

### AN ACT IN RELATION TO THE PUBLICATION OF THE CONDITION OF BANKS IN MASSACHUSETTS.\*

§ 1. That each bank, established and doing business in Boston, shall, on every Monday morning, transmit to the secretary of the Commonwealth a statement, under the oath of the president or cashier, which shall embrace the following particulars, namely: amount of capital stock, and the average amount of loans and discounts, specie actually in the bank, amount due from other banks, amount due to other banks, deposit and circulation for the several days of the week next preceding said Monday. On the Wednesday following, the secretary is required to publish a summary statement of the condition of said bank.

§ 2. Banks in Massachusetts doing business out of Boston are required to forward a monthly statement of their condition as above to the office of the secretary, who shall publish a summary of the returns.

§ 3. Any bank which neglects to forward returns shall forfeit to the use of the Commonwealth the sum of five hundred dollars for each neglect.

---

\* This act is very similar to the act passed by the Legislature of New-York, April 15, 1853, as contained in our number for June, 1853, p. 1001. The operation of this law has been detailed in our numbers for several months past; showing the average loans, specie, circulation, and deposits of each bank in the city of New-York, for the week preceding the date of its report. The immediate effect of the law upon the business of the city banks was to curtail their loans from \$97,890,000 early in August, to \$83,092,000 early in November; at which latter period the contraction ceased, and the aggregate loans have since reached the sum of \$94,558,000, and at present are \$90,245,000.

## III. NEW-YORK.

## CHAPTER 138.

AN ACT FOR THE WITHDRAWAL OF THE CIRCULATING BILLS OF INCORPORATED BANKS WHOSE CHARTERS HAVE EXPIRED OR MAY HEREAFTER EXPIRE.

[PASSED APRIL 8, 1854.]

*The People of the State of New-York, represented in Senate and Assembly, do enact as follows :*

§ 1. The circulating notes issued by any incorporated bank, whose charter has expired or shall hereafter expire, shall be withdrawn from circulation by the trustees or legal representatives thereof, and returned to the Superintendent of the Banking Department, to be destroyed, as follows :

The notes of banks whose charters have already expired, one third part of its circulating notes in one year, one other third part within two years, and the remaining one third part within three years from the time this act shall take effect.

And the circulating notes of all banks, whose charters shall hereafter expire, as follows :

One third part in one year, one other one third part thereof in two years, and the remaining one third in three years from the time their charters shall respectively expire. But this section shall not prevent any person, individual banker or banking association, from presenting to the trustees or legal representatives of such expired incorporated bank, such circulating notes for payment, at any time. And nothing contained in this act shall, in any manner, affect or impair the duties, liabilities, or obligations of the trustees, directors, or stockholders of such expired incorporated banks, or the rights or remedies of any of the holders or such circulating notes.

(Reissue prohibited.)

§ 2. Every banking association transformed from an incorporated bank, and the officers and agents of every such association, and the trustees and agents of all such expired incorporated banks, shall be prohibited from issuing, paying out, or in any way, directly or indirectly, circulating the notes of any incorporated bank whose charter has expired, or shall hereafter expire after the time limited by the first section of this act for its withdrawal from circulation. And every such association, officer, agent, or trustee that shall offend against any of the provisions of this act, shall be liable to the penalties prescribed by law for issuing bills or promissory notes for the purpose of putting them in circulation as money, without being authorized by law.

(Deposit required.)

§ 3. And in case of any failure to return such circulating notes to the Superintendent of the Bank Department, to be destroyed as provided for



in the first section of this act, the said trustees or legal representatives of such expired incorporated bank shall deposit with such superintendent an amount, in cash, which shall be equal to the circulating notes required to be returned as aforesaid, to be held as security until the said circulating notes are returned to said superintendent be destroyed; except as to the last one third part of said circulating notes, for which no deposit of money shall be required. But said last one third part of said circulating notes shall be withdrawn from circulation and destroyed, as far as practicable, as provided for in the first section of this act.

And if any trustee or legal representative of such expired bank shall neglect or refuse to comply with the provisions of this act, it shall be the duty of such superintendent to proceed to wind up the affairs of such expired bank in the same manner as if it were an insolvent corporation.

§ 4. This act shall take effect on the first day of May next.

#### CHAPTER 185.

AN ACT DIRECTING THE COPIES AND CERTIFICATES OF ASSOCIATION OF BANKS TO BE TRANSFERRED FROM THE SECRETARY'S OFFICE TO THE BANKING DEPARTMENT.

[PASSED APRIL 10, 1854.]

*The People of the State of New-York, represented in Senate and Assembly, do enact as follows:*

§ 1. All copies of certificates of association, under and by virtue of the general free banking law and the acts amendatory thereof, filed in the office of the Secretary of State, shall be transferred to the Banking Department; and hereafter all copies of certificates of association, formed pursuant to such laws, shall be filed in the office of the Superintendent of the Banking Department, who shall furnish, on payment of the same fees now chargeable in the secretary's office, all certificates in relation thereto, as if the same had been originally filed in his office. All the powers conferred upon, or duties required by any law of this State to be performed by, the Secretary of State, in relation to banking associations, shall hereafter be performed by the Superintendent of the Banking Department.

§ 2. This act shall take effect immediately.

#### CHAPTER 242.

AN ACT AMENDATORY OF THE ACT ENTITLED "AN ACT AUTHORIZING THE BUSINESS OF BANKING," PASSED APRIL 18, 1838, AND THE ACTS AMENDING THE SAME.

[PASSED APRIL 15, 1854.]

*The People of the State of New-York, represented in Senate and Assembly, do enact as follows:*

(Special Agent to take oath.)

§ 1. The person designated by the Superintendent of the Bank Department, under the existing laws, to examine the books, papers, and affairs of any bank, banking association, or individual banker, shall take and file

in the office of the clerk of the county where he resides, the oath of office prescribed in the constitution, and he shall have authority to examine, on oath, any individual banker, and the officers, agents, partners, and clerks of such banker, and of any bank, or banking association, touching the matters which he shall be directed to inquire into; and any wilful false swearing in any such examination shall be perjury. And when directed by the said superintendent, such person shall inquire whether any banker transacts the business of banking, at the city, town, or village where the circulating notes of such individual banker purport to have been issued and dated; and whether any bank or banking association transacts the business of banking at the place designated in its charter or certificate of association; and whether such banking business is conducted in the manner prescribed by law.

(Powers of special agent.)

§ 2. Such person shall have power to summon, in writing under his hand, any inhabitant of the county in which he may be conducting the inquiry, to appear before him and testify in relation to the same. If the party so summoned shall refuse or neglect to appear at the time and place specified in such summons, or having appeared, shall refuse to be sworn, or shall refuse to answer any pertinent or legal question, he shall forfeit the sum of one hundred dollars, to be sued for and recovered with costs, by the Superintendent of the Bank Department, in his name of office, and to be paid into the treasury, to defray the general expenses of the bank department; and upon such neglect or refusal being duly proved, by the person conducting such inquiry, before any justice of the supreme court, if such justice be satisfied that the party so neglecting or refusing ought to be examined touching the matters of such inquiry, he shall, by warrant, commit such party to the jail of the county, there to remain in close custody, until he shall submit to appear, or testify, or answer, as the case may require.

(Superintendent to refuse circulating notes.)

§ 3. If it shall appear, from such examination and report, that any bank, banking association, or individual banker is in an unsound or unsafe condition to do banking business, or that the business of banking is not transacted by such bank, association, or banker at the place where said circulating notes are dated and purport to be issued, or is not transacted in the manner prescribed by law, it shall be the duty of the Superintendent to withhold and refuse to issue or deliver any registered notes to such bank, association, or banker, and to retain the interest on all securities held in trust for such bank, association, or banker, until such time as he shall be satisfied that such bank, association, or banker is in a sound and safe condition to do a banking business, and that the business of banking is transacted by such bank, association, or banker, at the place where their circulating notes are dated and purport to be issued.

(Special report to be published.)

§ 4. Whenever the superintendent shall deem it proper, a copy of any such report shall be published in the State paper, and in at least two daily newspapers in the city of New-York. The reasonable costs and expenses

of every such examination and publication shall be paid by the bank, association, or banker whose affairs are examined, in the manner provided in the "Act to organize a Bank Department."

(Change of residence to be reported.)

§ 5. The second and third sections of chapter two hundred and eighty-one\* of the laws of eighteen hundred and forty-four are hereby extended and declared to be applicable to every individual banker who is now doing business, or shall hereafter do business under the general banking laws of this State, or who has received, or hereafter shall receive, circulating notes under the said laws; and the certificate required by the third section of the said act, shall be filed by every individual banker now doing business as aforesaid, and who has not already filed the same, within sixty days after this act shall take effect; and by every individual banker who shall hereafter desire to obtain circulating notes under the general banking laws of this State, previous to the delivery of any such notes to him. In case of a notice being filed with the Superintendent of the Bank Department of any change of residence of any individual banker, and of the place of doing his business, the Superintendent shall publish a notice thereof in the State paper, and in such other newspapers as he shall direct, at the expense of such banker.

(Names of all parties interested to be reported.)

§ 6. When it shall appear by the return of any individual banker, or by the report of any person designated by the Superintendent of the Bank Department, that any person is interested with such individual banker, directly or indirectly, in the securities deposited by him for the purpose of obtaining circulating notes, or in the business of circulating such notes, or in the benefits and advantages thereof, the said Superintendent shall withhold all interest and dividends on the securities deposited with him by such banker, and all circulating notes from him, until such banker shall have filed in the Bank Department a certificate signed by every person so returned or reported as interested as aforesaid, and acknowledged by him in the manner prescribed by law to entitle deeds of land to be recorded, stating that such person is interested with such individual banker in the circulating notes obtained, or to be obtained by him, and

\* § 2. Each and every individual banker now doing business under the general banking law of this State, or who shall, before this law takes effect, have received circulating notes under the said act, shall state in his quarterly reports whether any person or persons, and who, are interested with such individual banker, directly or indirectly, in the securities deposited with the Comptroller for the circulating notes obtained by such individual banker, or in the business of circulating said notes, or the benefits or advantages thereof; and if it shall appear from such report that any other person is so interested with said banker, and in case two successive reports of said banker shall not contain such statement, or if he omits twice in succession to make such quarterly reports, such banker shall forfeit one thousand dollars for each and every omission to make such statement, or to file such reports as aforesaid, to be sued for and recovered by the Attorney-General, in the name and for the benefit of the people of this State.

§ 3. Every individual banker who shall heretofore have obtained circulating notes of the Comptroller, under said act, shall within ninety days after this act takes effect, file in the Comptroller's office a certificate, stating the town, city, or village in which he resides; and thereafter it shall not be lawful for such individual banker to transact business under said act in any other place than in which he resides, and in case of any change of residence of such individual banker, he shall forthwith file a notice thereof in the Comptroller's office as aforesaid. Any person neglecting to comply with the requirements of this section, or either of them, shall for each neglect forfeit one thousand dollars, to be sued for and recovered by the Attorney-General in the name and for the benefit of the people of this State.

in the benefits and advantages of circulating the same ; which certificate shall be evidence in all courts and places that the person so signing and acknowledging the same is a general partner with the said original banker, in the business of banking, and as such is liable with him individually, for all the debts and obligations created or made by such individual banker in the said business.

§ 7. In the publication of the abstracts of the quarterly returns of individual bankers, the Superintendent of the Bank Department shall arrange them in a separate class, and shall specify the name and place of business of each, and the names and residence of the general partners.

(Notes not to be signed by agents.)

§ 8. The circulating notes delivered to individual bankers shall express only the individual liability of the banker issuing them, and shall be signed by him only, and not by any attorney or agent ; and any banker or person acting as his attorney or agent, who shall violate any provision of this section, shall be liable to a penalty of one hundred dollars for each offence, to be recovered in the name of the people of this State, with costs, and to be paid into the treasury to defray the general expenses of the bank department.

(Transfer of business prohibited.)

§ 9. It shall not be lawful for any individual banker, having circulating notes obtained under the general banking laws of this State, to sell or transfer the business of banking upon the securities deposited by him, to any person or persons ; and until such business shall be closed by the return of the circulating notes issued, and the delivery of the securities deposited, the same shall be conducted only in the name of the individual banker by whom the said securities were deposited, and he shall continue individually liable for the payment of all circulating notes delivered to him.

---

## STATISTICS OF THE CURRENCY.

[From the *London Athenæum*, Feb., 1854.]

MR. WILLIAM NEWMARCH, of the Globe Insurance Office, assisted by the machinery of the Statistical Society, has undertaken to collect the data necessary for ascertaining the magnitude and fluctuation of the amount of bills of exchange, which were in circulation at one time during each quarter of the thirty-eight years between 1816 and 1853, both these years included. The inquiry cannot fail to be useful. Much doubt exists as to the extent of bill transactions ; the extent of that credit on honor which represents, in its strong practical way, the moral as well as monetary solvency of the empire. The following copy of minutes and resolutions of the Statistical Society has been placed in Mr. Newmarch's hands :

"The council of the Statistical Society, having had brought under their notice the subject of the researches instituted by Mr. Newmarch,

into the amount and fluctuations of the circulation of bills of exchange in Great Britain; the results of which researches were embodied in communications read to the society by Mr. Newmarch, at its meetings in April and May, 1850, and partly published in the *Statistical Journal* (vol. xiv.) for May, 1851; they are of opinion, that it would be of great importance to extend these researches, so as to embrace a period of such length as to admit of general and average results, entitled to confidence, being deduced therefrom.

"The council have reason to believe, that in order to arrive at satisfactory results on the long-agitated question of the amount and circulation of bills of exchange, it will be necessary to obtain, from bankers in various parts of Great Britain, returns of at least twenty thousand observations; and a further return, from the inland revenue office, of the amount of revenue on bills of exchange, during each official quarter of the thirty-eight years 1816-1853, both inclusive. The council have heard, with great satisfaction, that Mr. Newmarch is prepared to enter afresh upon this important inquiry, with a view of communicating its results to this Society, preparatory to publication in its journal.

"*Resolved accordingly*, That Mr. Newmarch be informed that the council of the Statistical Society will afford him the best assistance in their power in obtaining the necessary data, to complete in a satisfactory manner the inquiries in which he has been several years engaged, respecting the statistics of bills of exchange."

#### *Currency of Bills of Exchange.*

In compliance with the wish of a great number of persons in Manchester, Birmingham, Leeds, Sheffield, etc., Lord Brougham has introduced a bill into the House of Lords, for amending the law concerning bills of exchange. To explain his objects, we must copy the report of his speech:

"When a party in England or Ireland held a bill of exchange or a promissory note, of the genuineness of the signatures to which there could be no doubt, and though there might be no flaw whatever in the title of the holder, though it was a matter of course that he should obtain his verdict, judgment, and execution, he had yet often to go through the form of an action at law for the purpose of enforcing his right. In nine hundred and ninety-nine cases out of every thousand, there really was nothing like a defense; because the party who had signed, unless his signature was contested, unless forgery had been committed, had admitted his liability, and must ultimately pay. Scotland was far better situated than we were in this particular. The law there was as follows: A protest of a dishonored bill or note became a judgment against parties whose names were on that bill or note. This protest must be registered within six months from the date of the instrument; and then, within six days after its being recorded, a judgment and summary execution might at once issue. If the party from whom payment was sought had a defense, there was full and ample opportunity allowed him for urging it. He might come forward and stay execution

by what was termed a suspension. He might suspend the process of law altogether if he was not liable, or he might suspend it until it was ascertained whether he was liable or not. He had only to apply to a judge, who at once examined into the grounds alleged for staying execution, and if they were such as would be incompetent in law, the petition was at once dismissed. When the grounds, however, were such as, if proved, would entitle the debtor to resist payment, the prayer of the petition was granted, and execution staid till the grounds of suspension were discussed, in which both parties were allowed an opportunity of deliberately making good their pleas and averments; and upon the proof and argument thus submitted, the court finally determined whether execution was to issue or not. But in general no suspension was granted without security given by the party applying for it to pay the debt, if it should be found due, and the costs of suit. The bond into which the sureties were required to enter became, if the holder was successful in the suit, a warrant for instant execution against the sureties. This system, he could assure their lordships, was found to act most admirably, and had for many years had the most beneficial effects."

The bill has found general approval, has been read a second time, and ordered to be referred to the committee on the common-law procedure bill. When passed, it will effect a great improvement in the law. Only one general case, we believe, is likely to arise, in which it would appear that some injury may be done by the more ready and certain proceedings now to be instituted, in the case of a person accepting bills for which he has received no consideration. It generally happens in the course of business, that such bills at length fall into the hands of a person totally unacquainted with the origin of the transaction. If the person who sues on it be the *bonâ-fide* holder, and have given an adequate consideration for the bill, which bears all his obligations on its face, and is therefore easily transferrable from man to man, he ought not to be debarred from obtaining his right because the bill may have had an improper origin. The *bonâ-fide* and innocent holder of a bill, vicious in its origin, must have his remedy as if the bill had a just and proper origin.

It must at the same time be insisted, that every person is bound to use proper precautions in dealing with bills, and should know something of the parties who create them, or should acquire the knowledge through brokers or bankers, or other persons of reputation and substance, who are responsible that the bills are created in the way of business. We do not think it advisable to encourage laxity in bill transactions. The very essence of a good bill, the only proper and just reason for uttering it, is that the utterer has property or goods of some kind coming into his possession when the bill falls due, which will enable him to pay it. The only proper reason for discounting any such bill is, that the discounteer believes, and has grounds for believing, that the utterer will have means of payment at the proper time. Where such is not the case, where the utterer has nothing, and the discounteer knows he has no means, and yet passes the bill to a third person, who passes it to a fourth, and so on, although the last may be perfectly unacquainted with the origin of the bill, we are hardly disposed to hold him blameless for

taking such a document. A man may know nothing of a banker who promises to pay on demand; but the mere fact that his notes circulate is an assurance that the banker is supposed by his neighbors to be able to redeem them, and is a public guarantee to some extent of their worth and his character. But a private bill issued by John Nokes and Tom Styles, not known to be engaged in any money-making business which warrants confidence in their signatures and transactions, has no other guarantee than the names of the men. Courts may have a difficulty in distinguishing between business and other transactions, yet they make the attempt, and the difficulty is neither insuperable, nor a sufficient reason for the law, by facilitating the recovery, or it may be the extortion of money, encouraging carelessness in bill transactions. As it is only, however, when a man has property, which may be taken in execution to answer the demand, that it is of much importance whether the process be swift or slow, certain or uncertain; in cases where there is no property, the possessor of a worthless document, which he has not used due care in taking, will only avoid delay and vexation, and gain no money, by having the legal means of recovering all that can be recovered facilitated. The general rule, then, must be adhered to, and the recovery of the money be made as easy and as certain as possible in all cases. That bills should continue to be, as at present, an admirable means for facilitating business, they must be honestly made, uttered, and circulated; and all who receive or negotiate them are bound to have regard to these circumstances, and to exercise great care in their transactions.—*London Economist*.

---

## CORRESPONDENCE OF THE BANKERS' MAGAZINE.

### I. DAMAGES ON BILLS OF EXCHANGE.

*North Carolina*.—In a former number we gave a recapitulation of the statute laws of each State, in reference to the rate of interest; penalties for the violation of the usury laws; damages on bills of exchange; and the law of sight-bills. The statute of North Carolina, specifying the damages on bills of exchange returned under protest, was stated as follows:

I. Bills of exchange negotiated in North Carolina, payable in other States, and returned under protest, are uniformly three per cent.

II. Bills payable in any part of North America, except the north-west coast, and the West Indies, ten per cent.

III. Bills payable in Madeira, the Canaries, the Azores, Cape de Verd islands, Europe, and South America, fifteen per cent.

IV. Bills payable elsewhere, twenty per cent.

V. By virtue of an act of the legislature, passed in January, 1849, grace is allowed on *sight-bills*, unless there is a stipulation to the contrary. Prior to that date, the usage was not to allow grace on such bills.

A letter from a correspondent in North Carolina recapitulates the law of damages. We give the letter in full, for the information of our subscribers in that State :

"The only error which I perceive as to the statutory provisions of our State, in reference to the amount of damages on bills of exchange, is in the statement that on all such bills negotiated in this State, and payable in other States, the damages are uniformly three per cent. This statement is made from a careless reading of our statute. By our act of 1828, incorporated in our revised statutes in 1836, the damages on bills of exchange drawn or indorsed in this State, upon any person in any other of the United States, or in any of the territories thereof, '*excepting the State of Louisiana,*' are fixed at *six* per cent; and when such bill is drawn on any person in any other State or place in North America, or the islands thereof, excepting the north-west coast of America, or the West Indies or Bahama islands, the damages are ten per cent. Now, it is obvious, that Louisiana being expressly excepted from the places referred to in the first part of this statute, and being embraced in the territory referred to in the second portion of the statute, that the damages on bills payable there are fixed by the provisions of this statute at ten per cent. By our statute passed in 1840-1, the damages given by the first portion of the statute before referred to, are reduced to three per cent; and in no other particular is the law altered. That this is an oversight, and would be corrected if brought to the attention of our legislature, I am well satisfied; but I am equally well satisfied that it is now the law of our State, and therefore it is an error to state that the damages on bills payable in other States are uniformly three per cent; such damages being ten per cent when the bill is payable in Louisiana.

"Among the decisions of our courts which are referred to, is one which may mislead, and which is not law to the full extent which would be inferred from reading the abstract given. I allude to the third in the series given: 'Interest must be calculated according to the law of the place where the contract was made.' Now, the general principle is, that interest is given as liquidated or ascertained damages for failure to execute the contract; and it is regulated by the law of the place where the contract is to be executed, and not where it is made; but the law presumes it to be executed at the place where it is made, unless there is some stipulation appearing on the face of the contract, showing that it was to be executed elsewhere.

"I give a synopsis of one of our more recent decisions, affirming this principle: 'The rate of interest payable on debts is regulated by the law of the place where the contract is made, the law presuming that the contract is to be executed there, unless there be a stipulation on the face of the contract that it is to be executed elsewhere.' (5 Iredell Rep. 590.)

"I would refer to sundry important decisions of our courts, on matters connected with bills of exchange and notes, but as it would probably be labor unnecessary, from the character of Mr. Homans' publication, I have determined to forbear.

"Very respectfully,

"Your obedient servant,

"W. A. W."



## II. PENNSYLVANIA.

**The Law of Promissory Notes.**—A correspondent at Boston has made the inquiry of us :

"Is it necessary that a note given in Boston, and made payable in Philadelphia, should contain the words 'without defalcation,' which is one of the legal requisites of Pennsylvania notes? Does it vitiate the note to omit them?"

The inquiry was submitted to competent parties in Philadelphia, whose reply is as follows :

"It is *not* necessary for the *validity* or *negotiability* of a note in Pennsylvania, that it should contain the words '*without defalcation*.'

"Those words are contained in the act of assembly of Pennsylvania, of February 27, 1727, which was a declaratory act, meant for the protection, and to make certain the defense, of such persons as became the indorsees of negotiable notes, against any claim of defalcation or set-off, by the drawer or previous indorsers. But as the same protection and defense is secured to the parties in Pennsylvania by common law, the statute referred to is now considered as mere surplusage, and useless; and therefore, in Dunlap's Laws of Pennsylvania, page 201, where reference is made to it, the following language will be found, namely: 'Since the case of *Bullock* against *Wilcox*, (7th Watts 328,) declaring *all* promissory notes strictly negotiable, and not liable to set-off in the hands of *bona fide* holders, this act, devising a form for promissory notes, may be looked on as useless, and is omitted.'

"The note sued upon in the case of *Bullock* against *Wilcox* was in the following form, to wit: 'For value received, I promise to pay to William Simpson, or *bearer*, the sum of twelve dollars, by the 20th of June next. Witness my hand, July 9, 1832.' The decision of the Supreme Court of Pennsylvania will be found in 7th Watts' Reports, p. 328, where the syllabus of the case is as follows: 'The *bona-fide* holder for *value* and *without notice*, of a negotiable note, made to A. B. or *bearer*, is entitled to recover on it against the maker, free from all subsisting equities between the original parties.'

"Trusting that this exposition of the matter to which the inquiry of your correspondent is directed may prove satisfactory,

"I am, etc., E. H."

## III. TIME CHECKS ON BANKS.

"BALTIMORE, March 3, 1853.

"TO THE EDITOR OF THE BANKERS' MAGAZINE: There is one subject of great importance to banks, which ought to be clearly settled, but which still remains in a state of utter uncertainty, and about which there is a great difference of opinion and practice in different States, and often even in the same city. I mean as to whether checks, as some call them, or drafts, as they are considered by others, drawn by banks or individuals on banks, made payable on a day certain, or so many days or months

after date, are entitled to grace, or not; and also, whether it is necessary to protest them for non-acceptance, if not accepted.

"Some consider them as checks, and protest on the day due, without grace; others consider them as drafts, and protest after grace; whilst others, to make sure work, protest on both days. Now, as these checks, or drafts, are generally for large sums, it is absolutely necessary that the question should be settled; so that banks and others may act understandingly, and avoid the heavy responsibility which is so often thrown upon them.

"As your magazine has a wide circulation, and I presume you have correspondents, legal and otherwise, in the different States, it appears to me that it is the best medium through which the question can be investigated; and it will also add much to the usefulness of your periodical to the banks, and the public at large. Your attention to this subject will oblige at least one

SUBSCRIBER."

#### REMARKS.

At the suggestion of the preceding and similar correspondents, we have had prepared "The Manual for Notaries Public." The volume does not cover all the various points in reference to bills of exchange and notes; indeed, it would be difficult to frame a work that would elucidate the almost innumerable questions connected with acceptance, protest, etc., of commercial paper. But it is believed that Mr. Roelker's volume will furnish much valuable information to the banker and broker, and render it a useful text-book for the cashier's desk.

As to the non-acceptance and protest of time-checks on banking institutions, there is some difference of opinion. A due regard to the rights of all parties to such paper, requires that it should be drawn, "acceptance waived;" and if not so drawn, the holder is bound to protest it for non-acceptance; not so much for the sake of the drawer, but to secure the indorsers.

"If the drawer has no right to draw the bill, or no reasonable ground to expect the bill to be accepted, (without having funds in the hands of the drawee,) the drawer is not entitled to notice."—*Manual*, p. 96.

But in all cases where acceptance is not expected, the words "acceptance waived" should be inserted in the face of the bill; otherwise the holder is bound to protest for non-acceptance, and he may recover of the drawer, without waiting for maturity of the bill.

It is stated by Bayley, in his "Treatise on Bills of Exchange," that "a bill or note importing to be payable within a limited time after a certain event, or on a given future day, or at sight, is not in fact payable until two days after the expiration of that time; nor, unless the third be a day of public rest, until three."

Our correspondent is referred to the following paragraphs in the "Manual for Notaries Public," which appear to meet the point suggested by him:

"In Louisiana, it has been decided that a bill payable on a fixed day is payable on presentment, and that no days of grace are allowed, (7 Martin's Reports, 460.) But this is not the general law, but a local

peculiarity. Days of grace are allowed on bills and notes payable on a fixed day, by the general law.

"Checks made payable at a day fixed, different from that on which they are dated, are treated as bills of exchange, and entitled to days of grace, according to a late decision of the New-York Court of Appeals. The instrument in this case was as follows:

"NEW-YORK, Oct. 5, 1849.

"CASHIER OF THOMPSON BANK:

"Pay Zenas Newell, or order, two thousand dollars, on the 12th inst.  
B. SEARLS & SON.

"[Indorsed] 'ZENAS NEWELL.'

"It was held in this case, that protest and notice on the 12th were premature."

### BANKING IN MASSACHUSETTS.

THE Committee on "Banks and Banking" have made a report in reference to the increased number of banks applied for in various portions of the State. From this Report we extract as follows:

The committee desire to make a brief explanation of their action upon the petitions from Boston.

The sum of capital asked for is nearly \$11,000,000.

A part of the sum is fictitious, as the committee are aware that a few of the petitioners put their sum at a high figure, with the idle expectation that the legislature will grant in proportion to the amount asked and not in proportion to what is proved to be wanted. The amount, nevertheless, that is asked for in good faith, is very large, and is supposed to be exaggerated above the amount actually required, from the fact, that a portion of the same wants are made known at the counters of a large number of different banks, and are to some extent the foundation of different petitions. Could the business of Boston express its request in one petition, it is supposed that the amount of capital asked for would be much less.

Some of the Boston petitioners have suggested to the committee, that Massachusetts did not pursue so liberal a policy in granting capital to Boston, as the city of New-York enjoys, and that Boston business suffers in consequence.

The bank capital authorized for Boston is,	-	-	\$31,260,000
Of the city of New-York,	-	-	47,000,000

Or about 50 per cent more than that of Boston, while it is obvious to every business man at all familiar with the business of the two emporiums, that the business of New-York is at least 500 per cent more than that of the city of Boston. It may be said that a given amount of capital in New-York would afford a greater amount of discounts than in Boston, because there is no legal limit to discounts in the former city. But the returns of the New-York banks for some time back, show that the practical limit to the discounts of the New-York banks is about the same

as the legal limit enjoined upon Boston banks, namely, twice the amount of their capital.

The committee recommend that \$3,200,000 (about one half the sum they recommend for the whole State) should be granted on the several Boston petitions. They recommend the establishment of a new bank in East-Boston, for the local accommodation of the business there. And, after the maturest deliberation, they have reported in favor of granting the remainder of the sum to existing banks, and they regret that they are obliged to report, that the petitioners for four new banks in Boston have leave to withdraw their petitions. In a city like Boston, where business is constantly and rapidly expanding, the younger class of business men who are entitled to bank facilities, equally with their older brethren, cannot have their wants fairly supplied without the occasional establishment of new banks. The old circle of customers use the existing banks to the extent of their capacity, and keep their doors shut against new men. But the legislature, at its last session, gave due heed to this consideration, and established five new banks in Boston; one in South-Boston, and four in State street, with an aggregate capital of \$2,700,000, and the committee have not been able to discover that any occasion arising from the same cause, still exists for new banks.

In the absence of the reason above alluded to for new banks in Boston, the committee deem it wiser to strengthen some of the smaller banks in the city, than to establish new ones.

There are now thirty-seven banks in Boston, with an authorized capital—

One of	\$5,000,000	One of	\$900,000	Nine of	\$500,000
One of	2,000,000	One of	800,000	Two of	350,000
One of	1,800,000	Two of	750,000	Three of	300,000
One of	1,500,000	One of	700,000	One of	250,000
One of	1,250,000	One of	600,000	One of	200,000
Eight of	1,000,000	One of	560,000	One of	100,000

These banks, except three or four of the smallest capital, are established in State street, and it will be seen that half of the State-street banks have capitals of \$500,000 or \$1,000,000. All the banks in that street, have substantially the same location, the same business, and the same class of men for customers, and the committee think it good policy, as capital is granted for State street, to give it to the smaller banks. One half million is small capital for a bank in that locality, and more capital will enlarge their usefulness, strengthen their circulation, diminish the proportion that the expenses of management bear to the amount of their capital, and tend to put them on a more equal footing as compared with their neighbors. Of the nine State-street banks that have petitioned for increase of capital, seven have one half million and less. The committee propose to enlarge the capacity of these seven banks, together with that of the Blackstone Bank, in Hanover street, to a common limit, namely, \$750,000. They give leave to withdraw, to the two other State-street banks asking for increase, for the reason only that they have already reached, and one is beyond, that limit. There is no partiality exercised toward these banks in granting to some and refusing others, because in esti-

mating the favors of the Commonwealth, its action heretofore, as well as at present, should be taken into the account. The committee also recommend, that other banks, located in other parts of the city, be authorized to increase their capital stock.

The present amount of bank capital in use, and authorized to be used, in the State, is fifty-two millions eight hundred and eighty thousand five hundred dollars, (\$52,880,500.)

The whole amount of new capital, that the committee, acting under the rule before mentioned, have felt obliged to recommend to be granted, is between six and seven millions.

---

## DECIMAL COINAGE.

### *Proceedings of the London Institute of Actuaries.*

JANUARY 30th, 1854.—Peter Hardy, Esq., V. P., in the chair. M. Quetelet was elected an honorary member. "On Decimal Coinage," by Mr. W. T. Thompson :

The author considered that the report of the select committee of the House of Commons set at rest any doubt as to the facilities to be gained by the introduction of the decimal system. He took a retrospect of the decimal and non-decimal systems, tracing the latter to the time of William the Conqueror; thence to Charlemagne, who introduced the Roman pound into modern Europe. The decimal system could be traced back to an early period of Roman history; but, looking to the Roman numeral, he could not attribute the decimal system of accounts to the Romans. He inclined to the belief that the decimal system of numeration was originated by the Hindoos, who have for a long period used it; and that the Arabs and Persians, who designated it "Hindoo science," had learned it from them. Various statements had been given as to its introduction into Europe; but it is well established that it was not known in Britain until the introduction of the Arabic numeral, in the early part of the sixteenth century. The author illustrated the transition state, by exhibiting the first book written on book-keeping by double entry, by J. Peele, 1569, showing the Roman numeral retained in the journal, and the Arabic numeral used in the ledger. He explained the decimal system as founded on the Arabic numerals, with reference to the principle of local value; and showed the further important improvements made in the system by the introduction of decimal fractions.

The author then discussed the proposed change, with reference to the adoption of the decimal system, the fixing of the unit of account, and the coinage under that system. He stated his views as to eight plans which had been proposed by various parties for adoption, namely: the pound unit; the ten shillings or ducat unit; the dollar, (4s. 2d.); the florin; the shilling; the franc; the penny; and the farthing: and he

submitted a series of calculations, showing the effect of starting from the integers. The author was of opinion that the ducat (10s.) unit was preferable to any other, for the following reasons: 1. It retained the shilling as the first decimal of the account. 2. It gave  $1\frac{1}{4}$ d. as the tenth of a shilling; a copper coin which would not much exceed in size our present penny. 3. It allowed the present penny to be retained as eight mills, (the existing copper coinage being at the same time depreciated to the extent of one twenty-fifth, or four per cent.) And 4. It allowed the retention of the half-penny and farthing. The author concluded by suggesting a mode of keeping accounts, by which it would not be necessary to alter the present system as regards pounds and shillings; thus meeting the difficulty urged against the ten shilling unit, that all sums would appear to be doubled. The paper was an elaborate one, and led to considerable discussion.

Prof. Gray advocated the penny as the basis of the decimal system; and contended that the alteration of the penny would prove a great inconvenience. He thought that the select committee had not gone sufficiently into the examination of witnesses. Mr. Hodge thought that the transition to a decimal system should be made gradually, and concurred in Mr. Hankey's opinion, that the Government should first enforce a decimal system in national schools, without reference to the state of coinage. He thought the French centime too low a denomination of coin, as was evidenced by the fact that, although introduced in 1795, they were little used except on paper. Mr. Tellicoe said that the keeping of accounts, and making calculations decimally, were by no means dependent on there being a decimal coinage in use. There was nothing to hinder the introduction of a decimal system in accounts. He considered that the changes proposed would be attended with much inconvenience; and he would wish to see a less degree of interference with the present system of coinage. The simplest way of keeping accounts was to imitate the French, but to keep ours in shillings and hundredths of shillings. As regarded the coinage, all that was needed would be to issue two copper coins, one equal to a tenth, the other equal to one hundredth of a shilling.

Mr. Lodge thought the pound, the florin, and the cent would suffice; the cent being the one hundredth part of a florin. The sixpence, or twenty-five cents, and the shilling, fifty cents, might be retained if desirable; but the pence and farthings might be dispensed with. Mr. Scott concurred in the last plan, because it would enable the Government to retain most of the present coins. There might be a silver coin representing five pence, which would correspond to the present sixpence. Mr. Farren remarked, that reckoning by farthings was a complete decimal system, and one which both rich and poor could readily understand. It was a mistake to suppose that more figures would be required to be used in reckoning; for up to a pound could be stated in three figures by farthings, whereas in 19s.  $11\frac{1}{4}$ d., for instance, double the number was employed. In any decimal system, at least three places beyond the pounds were required to express the thousands, and this is all the farthing system would require. By adopting the farthing as a

unit, all present monies can be exactly expressed; whereas, by subdividing the pound, such a simple sum as 8d. requires an infinite series. The farthing system had been used in Friendly Societies, and was found at once convenient, and moreover included all the benefits of a complete decimal system. The chairman said he had always advocated the decimal system; and, seeing that actuaries made all their calculations in decimals, he was surprised there should be any difference of opinion on the subject.

The discussion was then adjourned to the next monthly meeting.

---

### THE MORALS OF MONEY.—THE FALLACIES AND FAILINGS OF MONIED MEN.

*Money; its Nature, History, Uses, and Responsibilities.* 18mo, pp. 192.  
Philadelphia: American Sunday-School Union.

THIS little volume is divided into seven chapters, viz.: I. The Money-Maker; a short lesson in social anatomy. II. Money-Making; how society gets rich. III. The Chemistry of Money; a few words about capital. IV. Money Current; a few words about gold, silver, and bank notes. V. The Morals of Money; the fallacies and failings of monied men. VI. Models for Monied Men; benevolence speaking by example. VII. Origin and Progress of Savings Banks.

We select the fifth chapter of this little volume for our readers, entitled,

#### THE MORALS OF MONEY.—THE FALLACIES AND FAILINGS OF MONIED MEN.

"For charity itself fulfills the law."—*Shakespeare.*

HITHERTO we have contemplated money from an exclusively secular point of view: we now proceed to view it under the higher aspect of its moral and spiritual relations. This is no arbitrary change of topic—no piece of *finesse*, adopted in order to surprise the reader into a sermon, but the ascent of a natural climax. Every thing on earth points to eternity; every object, every pursuit, has its spiritual side—that on which it adjoins the soul, and silently works itself into its immortal texture. God has attached to every condition in life its own set of influences. Every thing we see or do, or think or say, has a moral power attached to it: our talents, opportunities, privileges, joys; our daily tasks, duties, trials; the hopes, anxieties, disappointments, and successes of business; the annoyances and irritations of the world, the temptations to sin and the incentives to holiness which surround our path; the advantages and disadvantages of our social position; our soberest reflections, our most mirthful sallies, our very fancies and day-dreams;—all are laden with lasting results, all are silently exerting some influence on our everlasting state. Yes, ETERNITY is seen as a Divine handwriting on every thing that meets the eye—on the exchange, the factory, and the warehouse, as well as the temple and the tomb.

Here is an article of faith of which most men need to be more heartily convinced. It is the chief point in the practical creed of life. The

worldly principle in human nature loves to separate time from eternity—loves to view this world and the next as two entirely separate spheres, having no vital connection with each other. We speak with horror, and justly so, of infidelity—that which denies the Bible, looks upon the soul as mortal, or merely as a part of the Infinite, and questions the evidence of a personal Deity. Such sentiments are dark and sinful beyond measure; but it may be doubted whether they are more mischievous to the interest of Christianity than that poisonous skepticism which so many cherish without misgiving; that which practically denies the presence and claims of God in the business of daily life; which views wealth as exclusively of the individual's own getting, to be placed at the beck of selfishness or caprice, without a single remonstrance of conscience for the neglect of any obligation, whether to God or man. Such infidelity is truly a bane to the soul, a canker to the Church, and a curse to the world.

If, as we have shown in previous pages, there is a very powerful tendency in society, according to its natural constitution as founded by the Creator, to become richer, we cannot imagine that riches are unavoidably and necessarily hostile to virtue. This would be to impeach the moral character of the Divine government. The evils of riches must therefore lie in the mode in which they are gained or used. Every tendency which is *necessarily* developed in social progress must be favorable to the spiritual interests of mankind. Poverty has often been lauded as the state which is most propitious to the moral excellence of individuals and communities; yet every body shuns poverty, every body is so constituted that he naturally wishes to escape it, and the direct effect of prudence, industry, and their kindred virtues, is to accumulate wealth. On this ground alone we might pronounce beforehand with the most absolute certainty, that poverty has no peculiar patent for goodness, and that growth in wealth does not necessarily involve a deterioration of the moral character. The great empires of antiquity are often adduced in supposed confirmation of an opposite view. We are told of the virtues which marked the infancy, as contrasted with the universal degeneracy of manners that characterized the meridian, of the Roman Empire. But the reference is useless. In the first place, it is questionable whether the Rome of Romulus could be taken as a higher exemplar of public virtue than the Rome of Cæsar. Its vices were of a different kind, but they were vices still. If it is lawful to discern any thing substantial among the shadows of Livy, we may find in the very earliest period of the Roman state innumerable traces of injustice, violence, and sensuality, which have no point of contrast, save that of coarseness, with those moral enormities which afterward distinguished the capital of the world. But the vices of imperial Rome must not be ascribed to its wealth; they are due rather to the mode in which its wealth was acquired, and the depraved habits which were connected with it. Its wealth was the fruit of conquest; it was the spoiling of the nations, not the self-elaborated product of capital and industry. It was acquired in a way which developed the sensual and destructive passions, and thus excavated a mine beneath, which at length blew the empire



into atoms. Wealth, when acquired by manufactures and commerce, always presupposes the actual exercise of a large amount of useful qualities; and the discipline which must be submitted to in its acquisition, especially when seconded by the influence of religion, affords, within certain limits, a guarantee for continued moral improvement. It may be almost affirmed that commercial affluence can neither be gained nor kept by a people socially corrupt. Empires which owed their greatness to conquest, often sank beneath their own weight; but there is, probably, no instance in which a great commercial state has fallen through the *enervating influence* of pomp and luxury. Nineveh and Babylon, like Rome in after times, were the product of successful war, and fell with the empires whose greatness they represented; Tyre, the mercantile metropolis of the ancient world, was twice permitted by Providence, as a punishment for its pride, to be subdued by powerful invaders; but so far was it from falling to pieces in consequence of internal decay, that after its overthrow by Nebuchadnezzar, the energy of its inhabitants soon restored it to its former grandeur, and enabled it to hold out for seven months against the conquering arms of Alexander the Great. Its sins were selfishness and pride, the besetting sins of the strong; the besetting sins, may we not fear, of Britain in this the era of its greatest power, and which, unless our wealth and greatness are sanctified to objects of benevolence and piety, will draw upon us a chastisement no less signal than that of Tyre of old.

Not only is wealth not necessarily hostile to piety, but it is in some respects decidedly propitious to its growth. It affords room for gratitude, furnishes themes for thankful praise, enables the mind to acquiesce in the Divine goodness, without those gigantic efforts of faith which are necessary to recognize his blessings when sent to us in the guise of adversity, and thus makes it an easier task to wave the censor of thankfulness before the seat of mercy. It places us in a position more favorable for the formation of impartial views respecting the character of God's providential economy, inasmuch as it tends to drive from the horizon of our experience those dark clouds through which we are in danger of viewing every portion of the universe. By rendering the heart more joyous, it gives room for the growth of qualities which are often crushed by poverty; kindness, confidence, general sympathy, faith in the beneficent tendency of the Divine arrangements. Besides, money will purchase books, scientific instruments, and professional aid, thus promoting the work of self-improvement; while the freedom it brings from those solicitudes which relate to the first necessities of life, affords more leisure for the cultivation of pursuits which are not earthly. It will not be disputed that these are points in which the wealthy man has a decided advantage over his poorer neighbor, and this is sufficient to show that the social condition to which mankind are being wafted by the gales of industry, is as friendly to moral excellence as it is undoubtedly to physical enjoyment.

The moral evils of wealth are, we may further observe, greater in a poor than a rich country, and will continually diminish as wealth itself becomes more diffused. Diminish the distance between the various

members of society; render refinement, elegance, and plenty common things; make "gold," to give a figurative sense to the literal description which the historian gives us of the greatness of Solomon, "as plenteous as stones, and cedar trees as the scyamore trees for abundance," and you diminish their corrupting power. There is no necessary connection between wealth and sensual indulgence. Among our most affluent merchants we might find the hardest workers, the clearest, firmest, manliest minds in the whole community; and though the person who merely enjoys the wealth which has been handed down to him from his ancestors, without knowing any thing of the wholesome discipline of acquisition, is more exposed to the enervating influence of luxury, how many could be pointed out amongst the noblest and richest members of our aristocracy, who *use* their property with a master's hand, remaining themselves vigorous and incorrupt, presenting such a blending of elegance and severity as no age or country has produced in greater perfection than our own.

It is also worthy of remark, that the two wealthiest nations of the world are those in which religion is most powerful as an element of social life. England and the United States are the two most Protestant countries on the globe; in them the Bible is free, the preacher of the Gospel moves unfettered, piety is welcomed to the domestic hearth, and joins with learning and science in shedding there her benignant lustre; philanthropic institutions rear their heads, and like the tree of life extend their healing shadow over the human race: yet these countries stand highest in point of wealth, and their wealthiest citizens furnish the Christian church with some of its most enlightened and devoted members. In both countries, moreover, the growth of wealth has been unprecedentedly rapid. Never before in the history of the world was so vast an accumulation gathered in so short a time. If wealth is necessarily unfriendly to religion, we might have expected that the latter would have been overwhelmed ere this by a flood of worldliness—that every trace of spiritual verdure would have become extinct. Instead of this, we have beheld during the same period a revival of vital godliness which has kept pace with our social improvement. Our missionary institutions, Bible and Tract Societies, have all commenced since we began our money-making career. Buildings devoted to the worship of God and the instruction of the rising race have sprung up by thousands in our manufacturing districts, and the town whose name is most prominently associated with an order of things which has been ignorantly reviled as an economy of selfishness and irreligion, recently gave a manifestation of specifically Christian benevolence which the world could not rival. Yes, the historian of the nineteenth century will not forget to relate that when Queen Victoria visited that part of her dominions, Manchester assembled from beneath the shadow of its factories seventy thousand Sunday-school children, and ten thousand teachers, all bound together by a simply religious tie, and presenting an unanswerable proof that the acquisition of wealth may be associated with an enlightened and practical piety.

But wealth, though not necessarily hostile to piety, has nevertheless its special dangers; its besetting fallacies and besetting sins, justifying those

solemn warnings to its possessors which are scattered through the word of God. With a friendly hand we will endeavor to lay open a few of both classes to the notice of the reader. One of the fallacies of wealth consists in giving too uniformly a moral character to the successes and reverses of life—in tacitly regarding riches as a virtue and poverty as a crime. Now we admit that the hand of the diligent maketh rich, and that the drunkard and the glutton shall come to poverty; but riches may sometimes proceed from other causes than diligence, and poverty may not always have had the antecedents of drunkenness and gluttony. Poverty, it is also true, may often be traced up to moral causes which throw the entire responsibility upon the individual who is the subject of it. How many persons who are now in utter destitution might have lived in competence, if they had only been prudent and industrious at the outset of their career! They look with envy upon successful men, and talk as though some malignant destiny kept them down, forgetting that their own failure may be justly attributed to themselves. Neglecting to “stir up” their peculiar talents, to develop their mental powers, to seize every opportunity of advancement, and to make those sacrifices which were demanded by a regard to their permanent welfare, some individuals revolve perpetually round the starting-post of life, instead of making a vigorous and determined effort to reach the goal. In such cases poverty is a fault, and the inconvenience it brings may be justly regarded in the light of a retribution. But how many exceptions do we find to this rule! The race is not always to the swift, nor the battle to the strong; the lot is cast into the lap, but the whole disposing thereof is of the Lord. We perform but a humble part in the economy of life. It is ours to seize the opportunity, but who gives it? We must recognize here a mightier hand. Every person who has attained success is able to recall many circumstances which favored his rise, without which, for any thing he can see, the strength of a Hercules would have been in vain. At best he has been only a co-worker. If he has contributed one element, God has contributed far more. But he is less even than this, since those very talents which enabled him to lay open his sails so as to catch the propitious influences of wind and weather, came down from the Father of lights, whose goodness to him is but ill repaid by indulging in judicial severity toward those to whom those talents have been denied.

Another fallacy into which wealth is apt to betray us, is that of making it a virtual synonym of respectability. “A respectable man,” in ordinary parlance is apt to mean one who commands so much money. A reference to character is included in the definition, but only to a trivial extent. In forming our estimate, the first idea which presents itself is that of his being “well to do;” the second, that of his possessing a certain measure of excellence. It is to be feared that thousands give this second idea a very feeble recognition. Their ordinary conception of respectability rises no higher than an elegant mansion, and goes no deeper than a suit of rich clothing. Perhaps no association which links two thoughts together is absolutely unreasonable, and in the instance before us it is easy to trace the process of silent argumentation by which we apply the epithet “respectable” to the monied man. Generally speaking, qualities which

are truly respectable produce money. We have seen how directly intelligence, sobriety, and the cycle of kindred virtues tend to affluence. This has been observed through many ages, and mankind, transferring to the effect that which properly belongs to the cause, constitute affluence itself an object of respect. Another consideration must enter into an impartial solution. Mankind worship power. To this, under whatever form embodied, all bend the knee. But money is power; there is nothing which money will not purchase, and he who can command an unlimited supply, is clothed with a kind of social omnipotence. These grounds of respect should be duly recognized, but there is one far brighter, one which is independent of outward condition, and may be found within a mud cottage as well as in a royal palace. Goodness alone has a sovereign title to respect. In God this attribute becomes sublime, the very radiance of his ineffable splendor; to Him accordingly we owe absolute homage, and wherever we behold the faintest reflection of it in human character our hearts should meet it with love and reverence. The highest esteem should be grounded entirely on moral and spiritual worth, and of this money is no test whatever. A person may be hypocritical, selfish, profligate, and yet rich; and another sincere, disinterested, godly, and yet poor. All those qualities which entitle to respect may be found without money; and all those which deserve to be branded with execration may be found with it. If we are about to enter upon some great commercial enterprise, a person who can place a large sum of money at our disposal is of course entitled to more consideration than one who is not possessed of a shilling; but when the question is, whom shall we pronounce "respectable," whom shall we inwardly honor, we must add no other principles, we must look at the man himself. If the excellent of the earth were to be gathered together and ranged promiscuously before our eyes, we should probably see represented to us in garb and manners every social and professional variety of the human race; but to the eye of God, who seeth not as man seeth, all would be alike beautiful; rich and poor, learned and illiterate, would lose their mutual differences in the grand distinction of being the "children of the Highest."

We may mention as another illustration of the class of fallacies to which we allude, an exaggerated conception of the reconciling power of habit. How commonly do we hear it observed, in reference to any exhibition of physical wretchedness, "Ah! poor creatures! but they are used to it;" and how often has such a sentiment proved a bar both to assistance and sympathy! There is as usual some truth in this remark. Such observations are not raised to the rank of maxims without some reason. Providence kindly ordains that we become less susceptible to any inconvenience the longer we bear it; habit is a mitigator of human woe; the burden fits itself to the shoulder, and at length is borne easily. But there are limits to the power of habit. It cannot destroy the strongest susceptibilities of human nature; it cannot reverse instinct, or make misery an element of happiness. An exotic plant may be acclimated, but there is constant war between its own tendencies and its new position, and a degree of inclemency which will kill it. How many human exotics have perished in the process of acclimation! How many

who survive drag out a life of suffering! It is not true that man is "a bundle of habits." He has a native force, certain definite appliances within himself, with which outward circumstances are incongruous or otherwise. By being always situated in the same condition, he may be ignorant of the pains or pleasures which spring from contrast; but surely it is not necessary to have tasted a higher degree of happiness in order to feel that wretchedness is wretched. Man is not such a thing of experience. Whether conscious of it or not, whoever exists in a state of physical destitution must possess far less than the average of human enjoyment.

Beside those dangers which beset wealth on the side of the intellect, there are others which belongs more to the province of the heart. One of these arises from the tendency there is in those pursuits which accumulate wealth to produce an engrossing spirit of worldliness; such an ardent attachment to the things of this life, and such a determination to possess them, as leaves no room for the love of nobler objects. In this respect, the man who is rapidly rising in temporal circumstances is exposed to much greater peril than those who are already wealthy. It is air in motion which constitutes the hurricane; when at rest, whatever within ordinary limits its density may be, we move in it without inconvenience. The passion for wealth may be compared to that of the gambler. At first comparatively feeble, it increases in intensity, till at length the soul is carried away with the fury of a whirlwind. How many a person in the early years of his mercantile career manifested decided indications of a religious spirit; feeling, fresh and vernal, expanded itself in blossoms of spiritual promise. To such an one the Saviour might have uttered those words, so full of hope and fear, "Thou art not far from the kingdom of heaven." But his enterprises began to be unusually successful, and his anxieties were turned into a new channel. Tried on a wider scale, his plans proved in a corresponding degree more lucrative, and proportionably greater force was infused into the worldly tendencies of his heart. At length he had left his former sphere; he had unconsciously wandered into a new orbit. Outwardly his position might be where it formerly was. The same pew in the sanctuary witnessed, at least *once* on the Lord's day, the same decorous recognition of Christian ordinances, the same liberality was exhibited in contributing to the sustenance of evangelical efforts, all the conventional marks by which a Christian man is distinguished from others were duly found among the externals of his life; yet he was essentially another man. The springs of religious sensibility were quite dried up; his very conscience was secularized. "Of the earth, earthy," might be seen written on the rubbish-pyramid of his ambition, and the final issue, kept from its complete fulfillment by a few remaining years, might be expressed in one word,—*LOST*, to God and to himself.

Nothing can equal in subtlety the first encroachments of a worldly spirit. It assumes the most attractive disguise. Is not diligence in business enforced upon us by a Divine command? Is not negligence in providing for the temporal welfare of our families placed among the practical denials of the Christian faith? Are not the institutions of trade

and commerce of Divine appointment? Is not the successful manufacturer or merchant a benefactor to mankind? Such are the specious arguments by which the first overtures of the world are sustained, but they are soon laid aside. Sin, when in comparative abeyance, will consent to knock at the door of the heart; to play the Jesuit and the cringer by turns, in order to get admittance; but, once inside, it will not consent to remain there a moment except on the footing of its own sovereignty. Any course deliberately entered upon and persevered in for a lengthened period, though at first it was at variance with our convictions, and forced us to battle with one half our moral nature, will at length conciliate the affections, master the will, and enthrone itself in the midst of its conquests, like the strong man armed "keeping his goods in peace." No evil spirit is more bland in its professions, more promising in its appearance, or more imperious in its rule, than that of worldliness; nor is there a more impregnable position within the temporal precincts of the abyss of ruin than that which is occupied by the worldly man. The persecutor, the debauchee, the idolater, may be made a disciple of Christ more easily than he. "It is easier for a camel to go through the eye of a needle, than for a rich man (one who loves riches supremely) to enter into the kingdom of God."

Since wealth is prone to foster misconception respecting the character and deserts of others, it has also a tendency to affect injuriously our conduct toward them. This tendency, we need not repeat, is far from being necessary; it is not inseparable from wealth; the richest man may be the brightest exemplar of social virtue; but it is at least a tendency which is as incident to an inferior position in life. Amongst the most conspicuous manifestations of this tendency are pride and arrogance; the inward sentiment of superiority, nursed into insolent rigor, dwelt in, gloated on by self-esteem; and the outward expression of that sentiment through the medium of our words and actions. The proud man loves to isolate himself from others, as though he were cast in a more exquisite fashion, or made of more costly materials. He never looks at his fellow-creatures except through a set of lenses, the sole product of his own misled imagination, which diminishes them to the size of pigmies, and turns himself into a sort of Jupiter amongst mortals. Every word and gesture is expressive of contempt, or of a condescension which is still more repulsive. Pride is often found mixed up with feelings of a meaner kind; a subservient ambition, which sedulously courts notice of all who occupy a higher station, and makes every advance the occasion of disowning every species of intercourse with those beneath. How melancholy and ignoble does such a spirit render life! All the honest and generous friendships which bloom to-day, wither to-morrow by the merciless wand of wealth. Those whose countenance was once coveted as an honor, severed at once from our very memories because we grasp a few more lumps of gold, or the smiles of human favor beam upon us with softer benignancy. Ah! wealth is a curse indeed, if it make the heart thus unfaithful and dishonest!—if it subordinate our attachment to the wise and excellent to worldly consequence and fame!—if it tempt us to sacrifice upon a heap

of gold-dust such imperishable jewels as love, honor, constancy, and gratitude!

It is difficult to say whether, in describing the characteristic qualities of pride and arrogance, we should brand them as foolish or pernicious. In a very high degree they are both. That must be pernicious which separates man from man, steels the heart against all sympathy, and makes an immortal being the victim of the most puerile hopes and fears. That must be foolish which provokes ridicule, is its own tormentor, and justifies itself by the very arguments which pronounce its censure. Pride is a blind passion—the precursor of destruction to individuals and states; it is the soul of faction and the spring of discontent; it inflicts incalculable evils on all who fall beneath its power, and, by silently relaxing the social ties, tends to precipitate society into ruin. As cherished by one man towards another it is absurd. Since every good gift comes from God, they who have the costliest gifts are the greatest debtors, and ought to discharge their obligations to the common Parent by treating more kindly those of his offspring whom he has favored in a less eminent degree. Besides, all men possess in germ the same illustrious faculties. Over all, the Eternal bends in infinite pity; for all the Saviour died; all are invited to the honor of being kings and priests unto God, and reigning with him for ever.

There is another sin which is scarcely less despicable and pernicious than pride; we refer to one which is by no means confined to circles of wealth, though it is there most mischievous in its results. The vanity of display is not monopolized, alas! by any section of the community. How many sacrifice their health and run into debt to “keep up an appearance!” How many among the poorer classes neglect real wants to supply fancied ones! But when the same weakness rules a person of extensive resources, a severe blow is inflicted upon the community. His wealth is part of the national stock; he is morally one of a body of trustees, comprising a few thousands, upon whom the employment and well-being of the entire population depend. On public grounds he ought to devote the smallest possible portion of his income to mere luxury, that he may have the more to invest in remunerative enterprise, and the more to give in works of charity and mercy. Economy need not be parsimonious, nor prudence beggarly. The fine arts and costly species of manufacture depend upon the patronage of men of wealth, and patronage exerted in this direction is not without a powerful moral influence upon society. But even the artistic passion must be kept within reasonable limits, and he is no right steward of his wealth who lavishes a hundred thousand pounds in the formation of a picture gallery, when the neighboring population are starving for want of the capital necessary to make their labor productive, or Christian enterprises languish for support.

Beside these evils which originate in the moral tendency of wealth, there are some which lie more immediately in its use. One of these, lying within the sphere of business, we must be permitted to single out from among the rest for special notice: we refer to undue SPECULATION.

This is entitled to a bad preëminence among other sins of business on account of the too favorable light in which it is often regarded, and the appalling consequences which sometimes flow from it. Speculation, when pursued to an extent beyond a person's means, is as foreign to the sober habits of business as the pursuits of the gambler. It stakes success, not on prudence and industry, but in probabilities only a step above chance. It turns trade into a game of hazard, and spreads a feeling of uncertainty and insecurity far and wide. Its moral influence is excessively injurious. The spirit it fosters is as different from that honest emulation which springs from a laudable desire to succeed in life, as the delirium of a fever from the elastic energy of a healthy man. It is essentially plotting, greedy, secret, overreaching, and easily slides into recklessness regarding the interests of others. Its effects, in an economical point of view, have often been most fatal. How many thousands have been ruined by it! How many volumes might be filled with melancholy narratives of individuals who were hurled in a moment from affluence to poverty, but who might have continued wealthy had they only been contented with the results of honorable exertion! It is too little to say that a person is imprudent who thus risks his all; he has no *right* to do it; he has no right to expose himself and family to the loss which may ensue, nor yet to expose others to the fluctuation and peril which must in any case be the result. One great lesson on the evils of undue speculation has been taught the present generation which will not be speedily forgotten. The public and private disasters of 1847, consequent in a great measure on the railway mania, are still fresh in the recollection of all. The prospect of immediate wealth without the trouble of working for it, led multitudes to change their property for railway shares, thus creating an unnatural demand, and consequent high prices, which soon fell, and involved hundreds in ruin. What an impressive comment do such consequences read upon the declaration of holy writ—"They that *will* be rich fall into temptation and a snare!" 1 Tim. vi. 9. Might not prudence itself inscribe over our marts of business, and at the head of our ledgers, the sentiment of the wise man, "He that hasteth to be rich hath an evil eye, and considereth not that poverty shall come upon him?" Prov. xxviii. 22.

There are methods of employing wealth even more sinful and pernicious than speculation, and among these we cannot hesitate to class *every attempt to turn it into an engine of corruption and oppression*. Unhappily, in the fallen condition of human nature, morality is often held too cheap in the presence of mammon. How many are there who would not hesitate to sacrifice purity, integrity, honor, the highest dictates of duty, for gold! They who would do so are guilty of a crime, but so are they also who would *tempt them to do it*. They who suffer themselves by this means to be drawn into sin are without excuse, but how much more those "by whom the offense cometh!" What an immense amount of iniquity would cease if the stimulus of wealth were withheld; and what an array of moral excellence might we not hope, with the Divine blessing, to see produced, if all the wealth thus rescued from vicious pursuits were devoted conscientiously to the interests of



religion! How many a wanderer from the paths of virtue might be reclaimed—how many who are now living abandoned by all sense of shame, victims of a misery all the more dreadful because it is bedizened in present gayety, waifs on life's highway, soon to be trodden under foot for ever! How many such might be raised to the enjoyments of religion and the blessings of social life! There is a kindred crime which can be perpetrated by wealth alone to which we must refer. It is notorious chiefly in connection with the exercise of the political franchise; but it is wholly within the province of morals, and has nothing to do with particular principles or parties. We refer to the practice of *bribery*. Hardly any practice can be more pernicious in a public point of view, and none, perhaps, on the character of the individual. It is the besetting sin of wealthy communities, and its unrestrained indulgence is the sure precursor of national ruin. The patriot should denounce it as the most fatal foe to the interests of his country; while the moralist, and far above all, the Christian should hate it as an egregious violation of the Divine law. God's will should be obeyed in reference to *all* our duties, public as well as private. A people exalted in righteousness will shake their hand from holding of bribes; and of them we may say, "Their place of defense shall be the munitions of rocks," Isa. xxxiii. 16.

The vices to which we have just alluded are confessedly disreputable; a person cannot stoop to them without forfeiting in a certain sense his position with all those whose good opinion is worth possessing; but how many things which the world does not reckon vicious are an abomination in the sight of God! How many methods are there of using wealth which Christ regards with disapproval, which are, nevertheless, adopted without self-rebuke by thousands who bear his name! The Christian church has given munificently perhaps to various evangelical enterprises, but its gifts have been small compared with its possessions. The offerings have been made by the few; they do not represent the concentrated faith and devotedness of the many. Its gifts have been made from its abundance. Alas! how few superfluities have been cut off, how little of privation has been borne, in order to send the blessings of religion and civilization to distant lands! How few economize to give! With what sad unanimity do Christian professors follow worldly men into the paths of extravagant expenditure! The Christian church has yet to learn the scriptural ethics of money. The reader will permit us here to use the words of "a master in Israel." "Let not any man," says John Wesley, "imagine that he has done any thing by merely gaining and saving all he can, if he were to stop here. All this is nothing if a man go not forward, if he does not point all this to a further end. Nor, indeed, can a man be said to save any thing, if he only lays it up. You may as well throw your money in the sea as bury it in the earth, and you may as well bury it in the earth as in your chest or the bank. Not to *use* is effectually to throw it away. If, therefore, you would indeed make to yourself friends of the mammon of unrighteousness, having gained all you can, and saved all you can, then give all you can. Gain all you can without hurting either yourself or neighbor in soul or body, by applying hereto with unremitting diligence, and with

all the understanding which God has given you. Save all you can by cutting off every expense which merely serves to indulge foolish desire, to gratify either the desire of the flesh, the desire of the eye, or the pride of life; waste nothing living or dying in sin and folly, whether for yourself or your children; and then give all you can, or rather give all you have, to God. Do not stint yourself, like a Jew rather than a Christian, to this or that proportion. Render unto God not a tenth, not a third, not half, but all that is God's, be it more or less, by employing all on yourself, your household, the household of faith, and all mankind, in such a manner that you may give a good account of your stewardship when ye can be no longer stewards; in such a manner as the oracles of God direct, both by general and particular precepts; in such a manner that whatever you do may be 'a sacrifice of a sweet-smelling savor' unto God, and that every act may be rewarded in that day when 'the Lord cometh with all his saints.' At this hour and from this hour do the will of Christ; fulfill his word in this and in all things. I entreat you in the name of the Lord Jesus, act up to the dignity of your calling. No more sloth! Whatsoever your hand findeth to do, do it with your might. No more waste! Cut off every expense which fashion and caprice demand. Employ what God has given you in doing good, all possible good, in every possible way, in every possible degree, to the household of faith and to all men."\*

We have said that probation is indissolubly connected with every condition in life. Spiritual dangers beset us on every side, and if more numerous in a situation of affluence, they are by no means peculiar to it. The poor man is exposed to perils of his own—perils introduced into his sphere that he may have something with which to wrestle; something to render watchfulness and virtue necessary, and the overcoming of which will confer upon him a degree of blessedness sufficient to compensate for all the toil expended in its acquisition.

The poor man is apt to exaggerate the possession of wealth as a means of happiness. Sensible of many privations which money would remove, his wishes bounded on all sides by the impotence of poverty, he is easily led to imagine that wealth would give him all that heart can wish. Hence he cannot see a wealthy man without instituting a comparison all to his own disadvantage. That individual is in a state all but paradisaical. He need not labor with his hands; no master's eye or factory-bell measures to him more accurately than an hour-glass the intervals of relaxation; day after day he may go whither his inclination leads him; his name is a symbol of respect with all classes; he owns a spacious mansion; his eye continually falls on agreeable garden and pleasure-grounds—all his own—the very picture of beauty and repose. His rooms are hung with costly paintings; his library is stored with the choicest books; the latest inventions of science stand at his side, as if to tempt the exercise of thought and render him an epicure in knowledge. Such a man must be happy. Ah! perhaps no other person would be more ready to give the sentiment a flat denial. Perhaps he has often

---

\* Wesley's Sermon "On the Use of Money."

glanced through a rustic lattice, and, as he saw his laborers' children gathered round the evening fire, wondered whether the happiness he could not find under his palatial roof had taken refuge there. It is an utter delusion to suppose that happiness is connected with any measure of worldly good. Man's heart is larger than the largest stores of affluence; his wishes never fail to expand in a greater ratio than his possessions, ever increasing the absolute void. His wealth itself is a collection of cares. True happiness lies in doing the will of God; in acquiescing in the Divine arrangements; in cultivating the excellences and discharging the duties of piety. Elsewhere none can be happy, but all may be happy here.

In his demeanor toward those who occupy a higher station, the poor man is prone to errors which reflect dishonor upon himself. Those to which we allude are of two opposite kinds, and candor requires that both should be stigmatized as improper. On the one hand, he may indulge in a mean, slavish, cringing spirit; always speak in a tone more in keeping with the position of a Russian serf than that of a free-born Englishman, and watch every occasion of showing that principle, honor, religion, the most sacred obligations, are secondary in his view to the desire to gratify a rich man's wishes. We know how unpopular such men are with the bulk of their own class; we need not mention here the inglorious epithets which have been coined in order to bring out their conduct in opprobrious relief; sufficient to say that such a spirit is the bane of any population, inimical to morality, perilous to the interests of wealth, the source of pauperism, bribery, and even crime. On the other hand, many of the poorer classes carry their independence to a more rugged and repulsive extreme. They appear to seize every opportunity of saying by their actions to the wealthier employers, "I do not care for you." What a needless, what a dishonorable manifesto! What an exuberance of vulgarity! How rude and low it stamps the character to be of the men who make it! Courtesy and politeness are due from one individual to another. The operative owes respect to all, and therefore, on this general ground, without estimating the obligation which may arise from special relations to his employer, it is a duty he owes to himself to be uniformly frank, manly, and respectful: more, others have no right to ask; less, he ought to be ashamed to give.

The surest safeguard against the moral dangers of every position in life is to be found in the reception of those scriptural truths, which teach us our true relations to God as creatures who, inheriting a depraved nature, have by their transgressions forfeited all claim to the Divine favor, and who, devoid of all merit, can rest their claims for acceptance solely on the atoning sacrifice and righteousness of Christ. This is a view which is calculated to humble pride, and to make the various inequalities of the social condition assume their true level. Scarcely less important also is the duty, when these views have been received into the soul, of maintaining their power by habitually cherishing a prayerful spirit. A prayerful spirit checks the growth of worldliness, allays the turbulence of vanity, and makes a person, even when surrounded with earthly pomp and splendor, walk humbly with God. By maintaining

prayer, Daniel was enabled to remain incorrupted at the court of Babylon. Looking at the world in this medium, he beheld its unreality, its evanescence, and discerned the folly of sacrificing piety at the shrine of temporal advancement. In him God gave an illustration of the truth, that they who honor Him he will honor. His spirituality was the source of that wisdom which raised him above his rivals, and saved him from the dangers which beset the summit of greatness. Daily humbled and elevated by communion with the King of kings, he could tread the courts of royalty without servility or ambition. If we examine the lives of those individuals who have been equally great and excellent, we shall find that communion with God was the secret of their excellence. They knew the attractiveness of the closet. Business, however pressing, did not engross the whole of their time; they were "fervent in spirit, serving the Lord." Their minds were strengthened by devotion; their judgments acquired greater clearness by being accustomed to contemplate spiritual objects; while, by the same process, they were saved from that absorbing passion for worldly things which often blinds the mind to danger, and conducts it into ruinous errors.

The common excuse for the neglect of prayer is the want of time; but this excuse cannot pass muster with those who find time enough for every thing else. In the day most crowded with engagements, what merchant would not find time to confer with a person likely to become a large purchaser? How few would allow a first-rate bargain to slip away on the plea that they had no time to attend to it! It is too evident that such an excuse borrows all its validity from the nature of the duty it is contrived to shun. It would be regarded as insufficient in any case in which our interest or inclination stood concerned: the person has no time for *religion*, no time for the *soul*, no time for *eternity*, though quite enough for every thing he truly cares about! But if business is really so extensive as to leave no time for devotion, then business must be curtailed. To a wise and prudent person no other choice would seem to be left. Some time *must* be saved from secular cares to be devoted to our everlasting interests; to the cultivation of spirituality, piety, godliness; to replenish the soul with water from the springs of life. Time thus expended would be time gained. Yes, in sober truth, the separation of a portion of the day for purposes of devotion would be found in the highest degree conducive to the physical, mental, and pecuniary welfare of the man of business. The more pressing his occupations, the more extensive and important his transactions, the more benefit would he draw from seasons of retirement. The closet has no antipathy to the counting-house; the two should go together, just as religion should be allowed to blend with and hallow all the pursuits of life. A clear head is needful in business. A man who will succeed must not allow his brain to be dizzied by a score of plans, all jumbled together in pell-mell confusion. He should see them all in clear outline, as we see a town traced on a sheet of paper, or as a general surveys the field of battle. Some very cool intellects may do this without any moral aid, but devotional habits supply to all the best means of doing it. Few persons comprehend all the bearings of a bargain so well as a

disinterested spectator, and he approaches the nearest to such a character who uses the world without being enslaved by it, and in whose mind the interest of present things is properly balanced by the interests of futurity.

One reason why private prayer is so little resorted to by men of business is, that its observance is seldom made a matter of arrangement. It is left to chance, and is generally deferred to the end of the day, when both mind and body are ordinarily so enfeebled as to render it of little use. But this should not be. Independently of evening devotion and that ejaculatory prayer which ought to be interwoven through the whole business of life, a part of the day, in which the mind and body are freshest, should be set apart for communion with God. What season could be more appropriate for this than early morn? What more beautiful than, before the intrusion of worldly cares and temptations, to fortify the mind by the perusal of the Divine word, and supplication for grace to help us in the hour of need? Business is irritating; mistakes, disappointments, losses, are daily occurring to task the temper; how wise, then, before entering upon it, to ascend the mount of celestial fellowship, and seek strength from Christ to honor him through the day! Such a course would make our piety burn brighter, and Christians, through the medium of business, would be the means of recommending religion most powerfully to the common sense and common sympathies of mankind.

---

**BANK DIVIDEND.**—The directors of the State Bank of Missouri have, after carrying one per cent to the contingent fund, declared a dividend of *ten per cent*, out of the net profits for the six months ending on the 31st of December last. For the previous six months, the bank declared a dividend of *seven per cent*, making the entire dividend for the year, *seventeen per cent*. This was declared, too, after setting aside not quite \$100,000 as a contingent fund, and after disposing of several items which had been hanging as so much dead weight on the bank, but which had always been found among the items of assets. We doubt very much whether any bank in the United States was able to declare the same dividend in the same year, and it is the first time since the incorporation of the bank that it has been done here. The bank has in truth, been managed admirably within the year, and the public should know it. Unlike most banks, it has been willing to help its customers when they needed it, instead of shutting down upon them the moment pinching times came. This is the common movement of banks in other cities, where, possibly, it enables "outsiders" to shave a little more deeply, but the directors here seem to think that it is one of the legitimate functions of a bank to assist the community when they are most in want of temporary assistance. While this is done, there are few persons who will be disposed to censure the action of the directors in isolated cases. At the present time, when there is little business doing, and a good many balances to be adjusted, the bank, instead of curtailing its line of discounts, is rendering all the aid possible, by discounting and purchasing all good paper, and this it has done to a very liberal extent. It is able, and we have no doubt it will pursue this policy until the spring business opens, and then the people will be prepared to take care of themselves. It is fortunate for our citizens that the bank is in such good hands at the present time.

## LEGAL MISCELLANY.

## I. BEFORE THE SUPREME JUDICIAL COURT OF MASSACHUSETTS.—HAMPSHIRE, 1851.

*Liabilities of Banks—Special Deposit.*

SAMUEL A. BOTTOM et al. *against* AUGUSTUS CLARKE and Trustee.—Where a small trunk, locked, the contents of which were not known, was deposited in the vault of a bank, with the consent of the officers of the bank, for safe-keeping merely, and the officers had no authority to open the same, for the purpose of ascertaining its contents; it was *held*, that neither the officers nor the bank were chargeable as the trustees of the owner, either for the contents of the trunk, or for the trunk itself.

In this case, the supposed trustees summoned were the president, directors, and company of the Holyoke Bank, and Ira Clarke, their president, whose answers, upon which the case was submitted, it was agreed, should be received also as the answers of the bank.

The trunk, in this case, was put into the vault of the bank, as a place of safe-keeping merely. Its contents were unknown, and are still unknown, to the officers of the bank; and they had no right to open it, either before or after service of the trustee process, for the purpose of ascertaining its contents. Such an act would have been a breach of trust, which would have subjected them to an action by the depositor. *Foster against Essex Bank*, (17 Mass. 504, 506.) Now, as the answer of the bank and its president furnishes no evidence of the contents of the trunk, we are not authorized to presume that it contained goods, effects, or credits, which could be attached and held to satisfy a judgment against the owner. Judging from our extra-judicial knowledge concerning such deposits in banks, we should rather presume that the trunk contained notes and securities, or other valuable private papers, that are not within the reach of the trustee process. But we make no presumption whatever. The parties summoned as trustees, in this case, must be charged or discharged, on the answer which has been filed, and on that alone. That answer does not show that the trunk contained any attachable goods, effects, or credits of the principal defendant.

It was suggested, in behalf of the plaintiffs, that the bank, or its president, must be charged as trustee, at least for the trunk, if not for its contents, and is bound, by the Rev. Stats. c. 109, § 22, to deliver it to the officer who may hold an execution against the owner, to be sold as if taken on execution in the common form. But, by that section, it is only when the party, who is summoned as trustee, is "chargeable" as such, by reasons of "goods or chattels, other than money," held by him, that he is required to deliver the same to such officer. And we have already seen that the parties summoned as trustees in this case, are not chargeable for the unknown contents of the trunk, and cannot lawfully

open it and take its contents from it. If, therefore, they were to be charged, by reason of the trunk, and were bound to deliver it to an officer, to be sold on execution, they must also deliver to him the contents, for which they are not chargeable, including even money, (if it contains money,) which they are not by law bound so to deliver. As the trunk and its contents cannot lawfully be separated by the officers of the bank, and as they are not chargeable by reason of the contents, and cannot lawfully deliver the one without delivering the other, they are not chargeable by reason of either.

By the custom of London, locked trunks and boxes are subject to foreign attachment, and the court, after four several defaults of the owner, gives judgment that they be opened. Priv. Lond., (3d ed.,) 266; Com. Dig. Attachment, C. We have no such law or custom. It may be, however, that an officer, in the service of an execution, is authorized to break open the judgment debtor's private trunk (2 Show. 87) for the purpose of selling the contents, if they are liable to execution. But he must first obtain lawful possession of the trunk. And we cannot help him to such possession, in the present case.

Trustees discharged.—*Law Reporter, Boston.*

## II. BEFORE THE ENGLISH COURT OF EXCHEQUER.

### *Law Merchant—Lost Bill of Exchange—Pleading.*

CLAY *against* CROWE, p. 262.—Where a negotiable bill of exchange is lost, at the time a party is called on to pay it, the loss constitutes a defense; *aliter*, if it is not a negotiable bill.

In an action for goods bargained and sold, the defendant pleaded that after the debt became due, he accepted for the amount a bill of exchange payable to the plaintiff or order; that the plaintiff lost the bill and ceased to have any power or control over it. *Held*, bad on general demurrer, for not showing that the bill was not running at the time when it was lost.

This was an action for goods bargained and sold. Plea, that after the debt became due, the defendant accepted for the amount a bill of exchange, payable to the plaintiff or order; that the plaintiff afterward lost the bill, and ceased to have any power or control over it. To this plea the plaintiff demurred generally.

The judgment of the court, consisting of Pollock, C. B., Parke and Alderson, BB., was delivered by

Parke, B.—We are of opinion that the plea in this case is bad in substance.

The law upon the subject of lost bills may be considered to be settled by the cases to be this: If a negotiable bill or note, that is, a bill payable in its original state to bearer or order, be lost at the time a party to it is called on to pay, the loss constitutes a good defense; otherwise, if it be not in its original state a negotiable bill or note, as where it is payable to the payee only. The former of these propositions is supported by the well-considered judgment of the Court of King's Bench, in the case of *Hansard against Robinson*, (7 B. & Cr. 90,) which does not con-

fine the necessity for the production of the bill or note by the plaintiff to the cases where it was payable to bearer originally, or became so by indorsement in blank, (as indeed the bill in that case did;) but Lord Tenterden, in giving the judgment of the court, lays down the position generally, that the law merchant requires the production of the instrument before a party to it can be called on to pay. And this case was followed in *Ramuz against Crowe*, (1 Exch. 167; 11 Jur. 715.) The case of *Wain against Bailey*, (10 Ad. & El. 616,) however, decides that this doctrine applies only to negotiable bills. The loss of a note or bill payable to the payee only, is no answer to an action by him.

The bill given in the present case was a negotiable bill, and therefore its loss at maturity or afterward, when the plaintiff should sue on it, would have been an answer to an action at his suit on the bill, and probably to this action on the consideration for which the bill was given. But the loss of a bill not yet arrived at maturity is immaterial. The bill may be found before it is due, and then the previous loss is not of the least consequence. The plea must be taken most strongly against the defendant, and if we assume the bill to be still running, which we ought to do, the loss of it in no way affects the plaintiff's case. For this reason we are of opinion that our judgment should be for the plaintiff.

Judgment for the plaintiff.

#### *Bill of Exchange—Holder.*

*EMMET against TOTTENHAM.*—A party cannot sue on a bill of exchange in which he has no interest, and of which he has no possession.

In an action on a bill of exchange, where the plaintiff declared as first indorsee against the defendant as acceptor, the defendant traversed the indorsement, and pleaded that the plaintiff was not the holder of the bill at the time of the commencement of the suit. At the trial it appeared that the bill had, after acceptance, been indorsed by the drawer to A., who gave it to B. for value, but without indorsement, saying that he would guarantee the payment. The executor of B., unwilling to sue on the bill himself, applied to A. to see it paid; whereupon it was agreed between them and the plaintiff that the latter should sue on it in his own name; and A. accordingly took a copy of the bill from the executor, and delivered it to the plaintiff for that purpose. An action was then commenced, and the bill given to him. *Held*, that both pleas were proved.

The ground of the conclusion to which we have come is, that, in our judgment, in point of law, if a plaintiff sues on a bill of exchange in which he has no interest, and of which he has no possession, he is not the right person to sue, and not in condition to maintain an action. The pleas in this case, that this bill was not indorsed to the plaintiff, and that he was not the holder at the time of action brought, were, we think, made out in point of fact at the trial. In support of the above view, it is unnecessary to do more than refer to the cases of *Gill against Lord Chesterfield*, (which has not been reported,) and *Sainsbury against Parkinson*, which was tried before me, [Pollock, C. B.,] and is reported in the *Law Times* of January, 1852, which establish the proposition on which, in our opinion, the present case turns.

No doubt there has been much laxity about the law of bills of exchange; and it has been thought that any one might, without title or



possession, bring actions upon them. I much doubt, if you were to ask any jury whether, according to the custom of merchants, a person in the position of this plaintiff is the right person to sue on a bill, they would say, "No."

Alderson, B.—It is a bad thing to get rid of the simplicity of the law. The person who holds, should hold. Rule absolute accordingly.

### III. BEFORE THE COURT OF COMMON PLEAS.—LONDON, JUNE 3, 1853.

#### *Bill of Exchange—Blank Acceptance—Indorsee and Acceptor—Reasonable Time.—Statute of Limitations.*

MOUNTAGUE *against* PERKINS, p. 557.—A person, by giving another a blank acceptance, makes him, as to third parties, his general agent to fill up the bill to the extent the stamp will cover, and he is bound by his acceptance in the hands of an innocent holder for value; therefore, to an action by an indorsee for value without notice against the acceptor, it is no defense that the acceptance was given in blank to the drawer, and that the bill was not filled up and issued until an unreasonable time (twelve years) after.

The statute of limitations runs from the time the bill became due as filled up, and not from the time it would have become due if completed when it was accepted.

A blank acceptance is a letter of credit for an indefinite sum, up to the amount the stamp will cover: *Russel against Langstaffe*, (2 Dougl. 513,) where Lord Mansfield says, "An indorsement on a blank note is a letter of credit for an indefinite sum. The defendant said, 'Trust Galley (the drawer) to any amount, and I will be his security. It does not lie in his mouth to say the indorsements were not regular.'" So, Lord Ellenborough in *Cruchley against Clarence*, (3 Mau. & S. 29,) "As the defendant has chosen to send the bill into the world in this form, the world ought not to be deceived by his acts. The defendant, by leaving the blank for the payee's name, undertook to be answerable for it when filled up in the shape of a bill." And Bayley, J., says, "The issuing the bill in blank, without the name of the payee, was an authority to a *bonâ fide* holder to insert his name." *Attwood against Griffin* (Ry. & M. 425) is to the same effect. In *Rex against Revett*, (Byles on Bills, 103,) A., by false representations, induced B. to sign his name to a blank stamped paper, which A. afterward secretly filled up as a promissory note for £110, and induced C. to advance him £100 upon it. A. was indicted for defrauding C.; and it was held that C. had his remedy against B. on the note, and that the fraud, therefore, not being on C., but on B., the indictment was not sustained by the evidence. *Temple against Pullen*, and *Mulhall against Neville*, are no authorities against the plaintiff's right to have the verdict entered for him on the first plea. As to the statute of limitations:

Cresswell, J.—I am of the same opinion. The defendant, by putting Swinbourn in possession of the blank acceptance, put it in his power to fill it up as he chooses, and present it to the world as so accepted. The rule must be the same here as in the common case of an agent for sale with special and limited authority, who is taken to be an agent with general authority, as far as third parties without notice are concerned.—*Law Reporter, Boston.*

## BEFORE THE COURT OF APPEALS OF NEW-YORK.

[Continued from p. 860, May No.]

*Stock Notes to Mutual Insurance Companies.*

EMMET, Receiver of the Alliance Mutual Insurance Company, *against* ALMET REED.—On the first day of May, 1845, the defendant gave his note to the Alliance Mutual Insurance Company for \$5000, payable twelve months from date. The note was given under the 12th section of the act incorporating the Atlantic Mutual Insurance Company, referred to in, and made part of, the charter of the Alliance Mutual Insurance Company.

When the note was given, it was agreed between the defendant and the secretary of the company that the defendant should have the right of paying the whole amount of it in policies of insurance, which he might procure in his own name, or in the names of others whom he should influence to insure in the company. There was no authority given by the company to take the note on those terms; but the secretary informed the president of the terms, and he approved of the transaction, and directed that the note should be used exactly upon the terms upon which it had been taken.

Subsequently the defendant obtained insurances in his own name, and procured insurances by other persons with the company, and the premiums in both cases were credited to him, on the books of the company, against his note. Balances were struck on the books from time to time, the defendant giving new notes for such balances, and the old notes being given up to him, until his credits exceeded the amount of the last note, which was then given up. The amount so credited to the defendant, from premiums paid upon policies of insurance issued to other persons, amounted to between two and three thousand dollars, and that sum, with interest, was sought to be recovered in this suit, which was commenced by the receiver of the company appointed after its failure.

The referees before whom the cause was tried reported in favor of the defendant, on the ground that it was lawful for this company, under the 12th section before referred to, to accept notes upon the terms upon which the defendant's note was given, and that the agreement made in that respect was valid. Their report was confirmed by the superior court, and judgment rendered for the defendant, on that ground.

This court, without passing upon the questions, whether the agreement was valid and binding upon the company under the 12th section, as an executory agreement, or whether parol evidence was competent to show the note delivered upon any such condition, affirmed the judgment, on the ground that the agreement had been completely executed; that the company having availed itself of the defendant's services and influence in procuring insurances, and applied the premiums upon his note until it was canceled, neither the company nor its creditors could now be permitted to repudiate the agreement and substitute a different one in its place. (See 4 Sandf. Superior Court R. 229.)

## BANKING IN PENNSYLVANIA.

*Veto Message of Governor Bigler.*

EXECUTIVE CHAMBER, HARRISBURG, April 15, 1854.

TO THE SENATE AND HOUSE OF REPRESENTATIVES :

GENTLEMEN: I return to the Senate, in which it originated, bill No. 136, entitled "An act regulating the general meetings and elections of the York County Bank," without the executive sanction.

The object of the proposed act is to modify the laws or rules regulating the institution, so as to entitle each share of stock to a vote.

The history of this bank is somewhat peculiar. It was originally a savings institution, and the scale of voting was fixed by its by-laws; but by an act approved April 10, 1849, it was converted into a bank of issue, "subject to all the provisions, restrictions, and conditions of 'An act extending the charter of the Bank of Montgomery County, approved April 7, 1849,'" excepting the first section.

Under the act of 25th March, 1824, by which the Bank of Montgomery County was originally incorporated, the principle of limitation upon the right to vote is applied, and it is provided that "the number of votes to which each stockholder shall be entitled, shall be according to the number of shares he or she shall hold, in the proportions following, that is to say: for each share of stock not exceeding two shares, one vote; for every share above two and not exceeding ten shares, one vote; for every four shares above ten and not exceeding thirty, one vote; for every ten shares above thirty and not exceeding fifty, one vote; but no share or number of shares above fifty shall confer any additional right of suffrage." The same provision is repeated in the general law of 1850, and thus has been established an uniform system of voting—a rule or principle applicable to all the banks in the Commonwealth, and, so far as I have been able to discover, has been strictly observed from 1824 up to the present time.

It is not, in my opinion, material to determine whether the scale of voting, as now found in the York County Bank, derived its origin and authority from the general law of 1824, through the medium of the "act re-chartering the Bank of Montgomery County," or from the by-laws of the original institution; for under either, the limitation on the right to vote and the relative position of the stockholders are almost identical. But, admitting the latter construction as the true one, the fact furnishes no reason for legislative interposition. If the restriction sought to be removed has been imposed by the voluntary action of the stockholders, it is an additional reason against the proposed law, rendered doubly forcible by the remonstrance of a large majority of the present parties in interest.

That the limitation on the power of capital over mind, as found in the acts of 1824 and 1850, is a wise and necessary restriction, justified by experience and sound public policy, will not, I think, be denied. With-

out such principle the immense powers of money, operating through the agency of banking institutions, where capital is ever active and accumulating, might become concentrated in the hands of the few. It can readily be perceived that, in the absence of such a restriction, the affairs of a bank, its discounts, loans, and accommodations might be managed and swayed by a very small number of stockholders. Indeed, a single person representing a majority of the shares of stock, could shape and fashion the directory of a bank to suit his own views—could elect and depose its officers, accommodate and punish whom he pleased, and in short, could prostitute the franchises granted to the institution for great public ends, to accomplish the most selfish or arbitrary purposes.

It is no argument in favor of the proposed measure to say that the man of large means in a bank should stand equal with him of smaller investment, in the scale of control which the whole capital confers. The answer is, that the man who is only able to hold his ten or twenty shares of stock, will watch the true interests of the institution with as much vigilance, and protect them with as clear a judgment, as the more fortunate capitalist, who finds himself in a condition to own hundreds of shares. Neither is it a sound argument to say that this restriction on the right of stockholders has not been uniformly applied to railroads and other corporations. The entire organization and purposes of an association to construct a public highway, or to promote some great public measure, are essentially different from those of a bank of issue; and without pausing to inquire whether the restriction could be wisely applied to all, it can readily be perceived why it is so eminently proper in a bank, where the power of capital is so completely concentrated, and ever so active and potent.

The most thorough examination of the subject has not, therefore, enabled me to discover a sufficient reason for the proposed innovation upon a policy which has been so long, so uniformly, and, as I believe, so advantageously, observed. In addition to the evils which such a measure might entail upon the business community and the banks themselves, it must be apparent that the moral tendency would be to substitute capital for intellect and business capacity in the control and direction of these institutions.

Presented to my mind as a mere local affair, confined to a single bank, acceptable to the parties in interest, confident that no wrong is contemplated in this instance, and in the absence of a full knowledge of the uniform policy and the general laws upon the subject, my first inclination was to yield to the wishes of those who desired the measure. But a very slight reflection upon the principles involved in the bill, the perusal of a remonstrance presented to me by over seventy out of a list of ninety-eight stockholders, representing themselves as owning a majority of the shares of the bank, at once removed all doubts as to the requirements of duty, and I have discharged them most in accordance with the dictates of conscience and judgment, by withholding my sanction from the proposed law.

WILLIAM BIGLER.

## CONDITION OF THE BANKS IN THE UNITED STATES.

## Comparative View of the Condition of the Banks in the different States in 1850-51, and 1853-54.

[FROM THE REPORT OF THE TREASURY DEPARTMENT TO CONGRESS, MAY 1854.]

State.	Date.	No. of banks.	No. of br'hes.	Capital paid in.	Loans & dis- counts.	Stocks.	Real estate.	Other invest- ments.	Due by other banks.
Maine.....	1850, October	32	.....	\$3,248,000	\$5,830,230	.....	\$111,905	.....	\$778,955
.....	1854, January	60	.....	5,913,870	11,166,519	.....	116,842	.....	1,581,596
New-Hampshire..	1850, December	22	.....	2,375,900	3,821,120	.....	43,670	.....	447,453
.....	1853, December	35	.....	3,376,000	6,518,183	.....	54,153	.....	587,859
Vermont.....	1850, August	27	.....	2,197,240	4,423,719	\$40,500	94,497	.....	1,001,789
.....	1853, August	33	.....	2,914,040	6,840,932	117,125	104,768	\$16,324	1,301,033
Massachusetts....	1850, September	126	.....	36,925,050	63,330,024	.....	988,235	.....	5,335,003
.....	1853, September	137	.....	43,270,500	77,172,079	.....	1,090,463	.....	6,666,412
Rhode-Island.....	1850, September	63	.....	11,645,492	15,492,547	151,277	283,844	13,461	441,164
.....	1853, September	77	.....	15,917,429	22,844,911	121,414	264,812	28,145	1,004,863
Connecticut.....	1850, April	41	2	9,907,503	15,607,315	.....	389,983	396,035	1,657,411
.....	1853, April	53	2	13,164,594	24,601,165	644,962	384,800	713,414	1,890,685
New-York.....	1850, September	197	1	48,618,762	107,132,389	13,177,944	3,321,589	736,120	10,403,509
.....	1854, February	312	1	79,018,980	203,008,077	21,453,585	5,272,690	151,528	11,529,939
New-Jersey.....	1851, January	26	.....	3,754,900	7,158,977	.....	270,546	183,468	1,578,663
.....	1854, January	38	.....	5,147,741	10,633,927	974,895	267,804	224,448	432,378
Pennsylvania.....	1850, November	53	5	17,926,222	39,430,145	1,428,354	1,134,413	1,230,064	4,266,916
.....	1853, November	61	5	19,765,864	48,656,884	1,141,649	1,007,843	652,756	5,375,738
Delaware.....	1851, January	6	3	1,293,185	2,264,313	52,986	117,981	2,000	306,545
.....	1854, January	6	3	1,343,185	2,915,602	62,681	124,262	.....	352,286
Maryland.....	1851, January	23	2	8,123,881	14,900,816	760,417	405,245	768	1,173,200
.....	1854, January	25	.....	9,558,409	18,358,441	825,339	321,007	28,256	1,681,036
Virginia.....	1850, October	6	31	9,824,545	19,645,777	269,914	764,232	240,498	1,925,652
.....	1854, January	16	39	12,796,466	24,913,789	2,259,812	756,551	26,259	2,710,180

State.	Date.	No of banks.	No. of br'hes.	Capital paid in.	Loans & dis- counts.	Stocks.	Real estate.	Other invest- ments.	Due by other banks
North-Carolina.....	1850, November	5	13	3,789,250	6,056,726	150,000	127,806	18,785	1,074,794
	1853, December	9	16	4,818,565	10,366,247	64,175	137,154	.....	1,842,569
South-Carolina.....	1851, January	12	2	13,213,031	23,312,330	963,611	338,429	266,205	5,020,998
	1854, March	16	2	16,073,580	24,366,690	2,775,059	419,370	1,363,582	1,611,709
Georgia.....	1850, December	11	10	13,482,198	11,421,626	1,574,349	7,195,063	2,377,715	3,117,466
	1853, December	11	7	12,957,600	13,567,469	2,193,848	8,176,932	712,950	1,735,422
Alabama.....	1851, January	2	.....	1,800,580	4,670,458	70,361	125,697	81,000	960,334
	1854, January	3	.....	2,100,000	5,865,142	471,156	65,321	31,500	362,084
Louisiana.....	1851, January	5	20	12,370,390	19,309,108	.....	2,255,169	2,042,149	2,225,896
	1854, January	9	10	17,359,261	29,320,582	842,000	1,954,164	2,163,055	2,416,526
Mississippi.....	1851, April	1	.....	118,460	112,275	.....	8,400	.....	302,641
	1854, January	1	.....	240,165	362,585	.....	9,970	4,742	84,049
Tennessee.....	1851, January	4	19	6,881,568	10,992,139	432,902	662,520	.....	1,559,418
	1853, October	9	19	6,599,872	11,846,879	538,042	516,980	67,322	1,443,721
Kentucky.....	1851, January	5	21	7,536,927	12,536,305	694,962	419,070	440,127	2,451,155
	1854, January	9	26	10,869,665	21,398,386	802,124	416,192	307,368	3,284,405
Missouri.....	1851, January	1	5	1,209,131	3,533,463	.....	123,928	273,317	66,028
	1854, January	1	5	1,215,405	3,958,055	.....	116,151	121,372	152,781
Illinois.....	1851, January	None.	None.	None.	None.	None.	None.	None.	None.
	1853, April	23	.....	1,702,456	586,404	1,780,617	13,202	.....	880,541
Indiana.....	1850, November	1	13	2,082,950	4,395,099	.....	364,233	108,485	845,062
	1853, December	31	13	5,554,552	7,247,366	3,257,064	289,673	127,288	1,985,114
Ohio.....	1850, November	57	.....	8,718,366	17,059,593	2,200,891	451,593	460,692	3,373,272
	1854, February	68	.....	8,013,154	17,380,255	2,808,337	332,909	.....	3,534,970
Michigan.....	1851, January	5	1	764,022	1,319,305	420,521	221,626	65,083	404,691
	1854, January	6	1	1,084,718	2,199,093	637,725	144,998	95,170	742,843
Wisconsin.....	1851, January	None.	None.	None.	None.	None.	None.	None.	None.
	1854, January	10	.....	600,000	1,163,066	578,721	8,461	.....	325,946

## Comparative View of the Condition of the Banks in the different States in 1850-51, and 1853-54.—(Continued.)

State.	Date.	Notes of other banks.	Specie funds.	Specie.	Circulation.	Deposits.	Due to other banks.	Other liabilities.
Maine . . . . .	1850, October	\$187,435	.....	\$475,589	\$2,654,208	\$1,223,671	\$48,006	\$38,285
1854, January	365,490	.....	.....	1,132,610	5,317,750	2,446,470	136,879	99,202
New-Hampshire . . . . .	1850, December	91,444	.....	129,399	1,897,111	566,634	.....	.....
1853, December	157,667	.....	.....	180,239	3,021,579	868,357	.....	.....
Vermont . . . . .	1850, August	127,637	\$2,376	127,325	2,856,027	546,703	.....	.....
1853, August	185,999	.....	.....	188,173	4,764,439	734,216	32,984	.....
Massachusetts . . . . .	1850, September	4,048,521	.....	2,993,178	17,005,826	11,176,827	22,136	.....
1853, September	5,346,161	.....	.....	3,563,782	21,172,369	15,067,204	6,549,929	442,084
Rhode-Island . . . . .	1850, September	537,761	.....	2,553,865	2,553,865	1,488,596	8,608,238	474,051
1853, September	844,329	.....	.....	359,699	4,895,529	2,238,856	650,560	133,773
Connecticut . . . . .	1850, April	245,349	103,614	640,622	5,253,884	2,395,311	1,062,615	362,729
1853, April	436,538	202,204	.....	1,145,857	10,224,441	3,542,935	716,770	829,581
New-York . . . . .	1850, September	3,031,957	10,498,824	10,045,330	26,415,556	50,774,193	21,873,928	2,984,727
1854, February	3,488,890	18,175,670	.....	14,169,905	32,573,189	75,554,481	20,227,967	5,848,627
New-Jersey . . . . .	1851, January	.....	.....	622,855	3,046,658	2,411,861	373,453	.....
1854, January	42,655	.....	.....	805,533	4,917,412	4,133,454	486,561	.....
Pennsylvania . . . . .	1850, November	2,591,962	2,864,944	4,327,394	11,798,996	18,484,779	5,857,740	156,878
1853, November	3,804,410	3,879,120	.....	4,331,656	17,420,348	22,747,991	4,640,970	36,647
Delaware . . . . .	1851, January	74,600	51,022	159,773	833,960	502,755	170,873	.....
1854, January	81,511	177,293	.....	133,367	1,286,933	860,947	107,075	.....
Maryland . . . . .	1851, January	965,796	78,552	2,709,699	3,523,869	5,838,766	1,923,206	9,895
1854, January	158,827	1,595,092	.....	3,405,090	4,918,381	8,622,052	2,348,791	71,645
Virginia . . . . .	1850, October	552,153	.....	2,928,174	10,256,997	4,717,732	308,841	.....
1854, January	1,271,453	199,848	.....	3,721,042	14,298,792	6,513,027	635,127	5,495
North-Carolina . . . . .	1850, November	483,947	.....	1,645,028	4,249,883	942,098	60,682	4,825
1853, December	643,821	73,324	.....	1,857,048	7,320,667	1,808,587	186,993	51,013
South-Carolina . . . . .	1851, January	810,895	306,909	2,218,223	11,771,270	4,665,686	3,035,893	23,260
1854, March	645,659	.....	.....	1,621,973	9,715,783	3,752,260	1,878,291	159,193



State.	Date.	Notes of other banks.	Specie funds.	Specie.	Circulation.	Deposits.	Due to other banks.	Other liabilities.
Georgia.....	1850, December	535,593	141,300	2,112,446	9,898,827	2,580,826	483,422	1,452,121
	1853, December	603,957	247,852	1,576,813	9,518,777	2,523,227	722,035	1,089,935
Alabama.....	1851, January	63,865	.....	1,998,820	3,568,235	1,474,963	196,911	660,732
	1854, January	111,296	.....	1,125,954	3,171,487	1,671,448	663,164	.....
Louisiana.....	1851, January	.....	1,200,000	5,716,001	5,053,229	8,464,389	1,384,232	.....
	1854, January	.....	.....	7,468,460	6,969,807	11,743,152	2,022,636	2,348,859
Mississippi.....	1851, April	.....	.....	.....	161,390	4,500	142,390	.....
	1854, January	13,309	.....	5,669	234,745	33,393	.....	.....
Tennessee.....	1851, January	729,186	.....	1,456,778	6,814,376	1,917,757	61,638	10,000
	1853, October	451,396	126,890	1,983,790	6,821,836	2,200,922	108,470	447,425
Kentucky.....	1851, January	550,879	.....	2,794,351	7,643,075	2,323,657	1,256,589	100,807
	1854, January	1,115,780	543,978	4,596,249	13,573,510	3,102,159	2,809,031	.....
Missouri.....	1851, January	37,510	.....	1,198,263	2,522,500	1,098,981	76,280	.....
	1854, January	282,590	.....	937,835	2,437,580	1,313,744	228,945	.....
Illinois.....	1851, January	None.	None.	None.	None.	None.	None.	None.
	1853, April	233,576	.....	419,531	1,351,788	522,476	315,441	14,116
Indiana.....	1850, November	224,842	.....	1,197,880	3,422,445	630,325	112,175	.....
	1853, December	715,305	128,860	1,820,760	7,116,827	1,764,747	445,359	100,622
Ohio.....	1850, November	1,195,655	93,460	2,750,537	11,059,700	5,310,555	1,305,839	343,856
	1854, February	1,438,342	171,855	2,319,064	9,839,008	7,693,610	1,866,172	249,887
Michigan.....	1851, January	109,096	195	125,722	897,364	416,147	42,589	138,930
	1854, January	108,941	4,282	357,672	1,270,989	1,076,606	82,496	438,488
Wisconsin.....	1851, January	None.	None.	None.	None.	None.	None.	None.
	1854, January	151,154	20,136	182,482	485,121	654,423	.....	710,954

In the above statement are included, it is believed, all the incorporated banks that were in operation in the beginning of 1851 and the beginning of 1854, a few scattering ones excepted, and these consisting chiefly of banks that had but lately commenced business.

In the State of Texas there is one bank, doing a small business, from which no returns have been received.

In the States of California, Florida, Arkansas, and Iowa, and in the Territories of New-Mexico, Oregon, Washington, Utah, and Minnesota, there are no incorporated banks.

In the returns from some of the banks of Pennsylvania, and those of some other States, a considerable amount of specie is believed to be embraced under the head of "specie funds," but the exact amount cannot be ascertained.



## DEBT OF THE UNITED STATES.

MAY 6, 1854.

STATEMENT OF THE REGISTER OF THE TREASURY, showing the date of the acts of Congress authorizing the issue of the several loans of the United States, the Texan indemnity, when redeemable, the rate of interest, the amount redeemed from the 4th March, 1853, to the 6th May, 1854, inclusive, the premium paid, the amount outstanding, the amount purchased of the debt of the corporate cities of the District of Columbia, the premium paid, the amount outstanding, the treasury notes outstanding, and the interest due and unpaid upon the old funded and unfunded debt:

LOAN.	DATE OF ACT AUTHORIZ- ING ISSUE.	WHEN RE- DEEMABLE.	RATE OF INT'EST.	AMOUNT REDEEMED.	PREMIUM PAID.	AMOUNT OUT- STANDING.
1842,.....	Ap'l 15, 1842	Dec. 31, 1862	6 per ct.	\$2,427,785 49	\$884,436 45	\$5,765,900 54
1843,.....	Mar. 3, 1843	July 1, 1853	5 "	8,949,081 85	.....	28,900 00
1846,.....	July 22, 1846	Nov. 12, 1856	6 "	1,943,439 71	145,133 70	3,052,700 00
1847,.....	Jan. 28, 1847	Jan. 1, 1868	6 "	7,199,250 00	1,509,349 41	18,130,300 00
1848,.....	Mar. 31, 1848	July 1, 1868	6 "	2,261,408 20	471,193 37	18,422,841 80
Texan indemnity,	Sept. 9, 1850	Dec. 31, 1864	5 "	320,000 00	85,200 00	4,680,000 00
Due to be issued,	Sept. 9, 1850	Dec. 31, 1864	5 "	.....	.....	5,000,000 00
Debt of the cities of the District of Columbia,.....				18,100,914 75	2,545,312 98	50,080,642 84
Treasury notes outstanding,.....				712,800 00	112,590 00	7,200 00
Interest on old funded and unfunded debt,.....				.....	.....	113,911 64
				.....	.....	114,118 54
				\$18,813,714 75	\$2,657,902 93	\$50,315,872 52

The following report was made to the Senate on the 8th instant, accompanied by a table, showing the present indebtedness of the United States, and the amount of stocks redeemed since March 4, 1853:

TREASURY DEPARTMENT, May 8, 1854.

SIR: In obedience to a resolution of the Senate, of the 5th instant, "requesting the Secretary of the Treasury to furnish, for the information of the Senate, a statement of the amount of bonds or other securities of the United States redeemed since the third of March, eighteen hundred and fifty-three, specifying in such statement the date of the issue of such bonds or securities, the rate of interest, when payable, and the amount of premium paid on each class of the same," I have the honor to transmit a statement, prepared by the Register of the Treasury, containing the information desired. In this statement is also included, 1st, that portion of the Texan indemnity, under the act of September 9, 1850, for which stock has not yet been issued; 2d, the amount of treasury notes outstanding; and 3d, the amount of the old funded and unfunded debts.

From the statement it will appear, that the whole amount of stock redeemed between March 3, 1853, and the 8th instant, is \$18,813,714 75 That the premium paid on the same is - - - 2,657,902 93

And that the amount of stock, whether actually issued or authorized to be issued, and for which the United States is liable, outstanding, is - - - 50,315,872 52

I am, very respectfully,

JAMES GUTHRIE,

Secretary of the Treasury.

Hon. D. R. ARCHISON,  
President U. S. Senate.

## COINS AND COINAGE.

THE new features of the month of May are the new gold coins of the denomination of three dollars, and the commencement of operations at the Branch Mint in California. The latter institution will accomplish much good in providing a legal currency for the people of California.

Recent assays of gold at the United States Mint in Philadelphia show a remarkable difference in the value or fineness of the gold produced in California and that produced in Australia. It is found that the extreme degrees of fineness of the latter, judging from specimens operated upon in the assay department of the mint, are from 668 to 957 thousandths; the usual range being from 860 to 900; the average being very steady at 885, or thereabouts.

In the Australian gold submitted to the same tests, the extremes are from 932 to 995 thousandths, with an average of 968.

To state the *extremes of value* as based upon the extremes of fineness above given, might mislead the reader for commercial information. It would be correct to say that the average value of California gold, in bars, or after melting, and inclusive of the net value of the silver contained, is about \$18.39 per ounce; and that the average value of the Australian gold, in bars, or after melting, (silver not being partible at a profit,) is about \$20.01 per ounce.

Australian gold, per ounce,	.	.	.	.	\$20.01
California gold, per ounce,	.	.	.	.	18.39
					<hr/>
Difference, (nearly nine per cent,)	.	.	.	.	\$1.62

From these central rates the dealer may count upon a variation of value of about 40 cents an ounce, above or below, owing to the uncertainty of fineness; and in respect to native, or unmelted gold, a deduction is to be made for adhering dirt and oxides not separable by washing—say two, three, or four, or even *five* per cent.

The annual Report of the Director of the United States Mint for the present year has been copied, in full, into the London *Economist* and the London *Circular to Bankers*. We copy the remarks of the former on the subject, adding the suggestions of a correspondent on the same.

[From the *London Economist*, March 25.]

WE copy the admirable report of the Director of the Mint of the United States almost in *extenso*, from the *New-York Shipping List* of the 8th inst. We must at the same time say that we are not disposed to agree in his recommendation to suppress small bank-notes or to stamp them. It is not the duty of either Congress or Parliament to promote or impede any species of honest business and industry by stamp or other taxes designed for that end. It may levy taxes on any thing or every thing for revenue, but in levying them, it is bound to interrupt the natural equality of different trades or business as little as possible. We are not of opinion that the abuse of banking and of paper-money, which has

taken place under the authority of several States, is a good ground for interfering with the business of banking. We are the more astonished that Mr. Snowden has come to such a conclusion, because he perceives clearly and states forcibly that, without any interference by government, trade has already adapted itself, and is every day adapting itself, to the great change which he points out as now taking place in the relative productions of silver and gold. While governments have yet to learn such a fact, and will be slow to act on it after they have learnt it, and will most probably, even under the advice of such skillful men as Mr. Snowden, act erroneously and injuriously, trade is forcing on a greater and more general use of the metal that is relatively produced in greater abundance. Mr. Snowden shares, we are afraid, the morbid apprehension of trade and traders which has been carried from the aristocracies of Europe to America, and make statesmen there, as here, mistrustful of some traders. They refuse the same freedom to bankers as they demand for farmers and cotton-spinners. At the same time, Mr. Snowden's arguments are very weighty, and are likely to have considerable effect in America, where the people always suffer to some extent from a constrained and vicious, not free, system of banking. Perhaps, if the trade in money and credit were left entirely to its own laws—for wherever the laws of trade are allowed to come in full operation, they are found far more advantageous than the most feasible legislation—small notes, as is desired by Mr. Snowden, might disappear. With the largely-increased production of gold, it is even likely they would. As long, however, as individuals have an interest in issuing and using them, they must, on the whole, like every honest pursuit of private interest, be beneficial to the State. In copying Mr. Snowden's excellent and useful report, we are obliged to say thus much to express our dissent from one part of it. For the rest, the activity in the American mint in common with our mint, the relative proportions in which gold and silver were and are produced, the faculty of now procuring silver by the cheapness of mercury, are all points of great importance, which the public will be glad to see elucidated by such a high authority. So, too, the recommendation to Congress to simplify weights and measures, will not be here thrown away.

---

THE LONDON *ECONOMIST* AND THE U. S. MINT.

[For the *Bankers' Magazine*.]

THE remarks of the able editor of the London *Economist* upon the report of the Director of the mint are kind and liberal. But whilst he commends the report generally, he objects to that portion of it which relates to small bank-notes. Having no notes in England below the denomination of five pounds sterling, say \$25, he does not seem to be as familiar with the evils of a small-note circulation as we are in this country. In view of these evils here, several of our States have passed laws to exclude them from circulation; but as long as they are an authorized currency in a large portion of the States, they will have a general circulation, and the constitutional and legal currency of the country will, in a

great measure, be excluded. At present, in many of the States, and in some of the most wealthy, populous, and commercial cities, it is difficult to procure "change," because it is a well-settled principle that coin will not circulate where an inferior currency is permitted. It seems necessary that some remedy should be applied which will operate upon the whole country alike, and restore to the people that legal currency from which, by unequal laws, they have been deprived.

What is meant by the "natural equality of different trades and business," and statesmen being "mistrustful of some traders," as applicable to the issuing of small notes by banks, it is impossible to surmise. Neither can we understand how small notes can be "beneficial to the State," when they are injurious to the citizen, and exclude the gold and silver coins from circulation which it is in the power of the national mint fully to supply.

**CALIFORNIA GOLD.**—Total shipment of gold-dust to all quarters, for the year 1853, \$54,906,956.74.

The following shows the proportion of this destined for various ports:

For New-York, .....	\$47,914,447 68
" New-Orleans, .....	390,781 00
" London, .....	4,795,662 25
" Panama, .....	793 10
" Valparaiso, .....	445,778 27
" Sandwich Islands, .....	194,000 00
" China, .....	926,134 44
" Manilla, .....	17,450 00
" Calcutta, .....	1,240 00
" New-South-Wales, .....	38,670 00

Total, .....\$54,906,956 74

An examination will show a decided improvement in the shipment of 1853 over those of any previous year; and for the convenience of those who have not the tables by them, we insert the total of 1851 and 1852, in juxtaposition to that of 1853:

Shipment of dust for 1851, .....	\$34,492,000
" " 1852, .....	45,779,000
" " 1853, .....	54,905,000

**AMOUNT AND VALUE OF QUICKSILVER EXPORTED FROM SAN FRANCISCO DURING THE YEAR 1853.**—During the year 1853, the total exports of quicksilver from this city amounted to 18,800 flasks, valued here at \$683,189. All this, together with the large amount used in this State, was the product of the "New-Almaden" mine, in Santa Clara. The following shows to what points the quicksilver was exported:

	<i>Flasks.</i>	<i>Value.</i>
Shipped to Hongkong, .....	5,642	\$180,272
" Shanghai, .....	812	31,199
" Canton, .....	366	14,125
" Whampoa, .....	300	11,500
" Calcutta, .....	50	1,875
" Mazatlan, .....	2,811	96,250
" Mazatlan and San Blas, .....	255	10,000
" San Blas, .....	1,942	72,463
" Callao, .....	1,800	66,500
" Valparaiso, .....	1,977	71,875
" New-York, .....	1,845	77,130
" Philadelphia, .....	1,000	50,000
Total exports, .....	18,800	\$683,189

The total export of gold from San Francisco during the past year (1853) was shown to have been \$54,906,956. We have, by the last arrivals from Australia, official reports which show that the value of the gold exported from the colony of Victoria during the year 1853 was about £14,000,000 sterling; from New-South Wales, £6,000,000, part of which, it was supposed, had been received from Victoria. The yield of the New-South Wales fields had been for some months decreasing. This would make the total exports from the two colonies about one hundred millions of dollars for the year, against \$54,906,956 from California.

The director of the United States Mint, Philadelphia, makes the annexed statement of deposits and coinage for the month of April, 1854:

*United States Mint, Philadelphia.—Deposits and Coinage.*

Gold bullion deposited:		<i>Value.</i>
From California, .....		\$3,379,000 00
Other sources, .....		63,000 00
Total gold deposits, .....		3,442,000 00
Silver bullion deposited:		
Including silver purchases, .....		129,000 00
Total gold and silver deposits, .....		3,571,000 00
Coinage executed:		
<i>Denomination.</i>	<i>No. of Pieces.</i>	
Gold:		
Double eagles, .....	65,386	1,307,720 00
Eagles, .....	12,552	125,520 00
Half eagles, .....	17,570	87,850 00
Quarter eagles, .....	106,996	267,490 00
Dollars, .....	232,259	232,259 00
Fine bars, .....	532	2,440,639 06
Total, .....	435,295	4,461,478 06
Silver:		
Half dollars, .....	394,000	197,000 00
Quarter dollars, .....	2,012,000	503,000 00
Half dimes, .....	1,000,000	50,000 00
Total, .....	3,406,000	750,000 00
Copper:		
Cents, .....	399,227	3,992 27
Total, .....	399,227	3,992 27
Recapitulation:		
Gold coinage, .....	435,295	4,461,478 06
Silver do. ....	3,406,000	750,000 00
Copper do. ....	399,227	3,992 27
Total, .....	4,240,522	\$5,215,470 33

The official report of the United States Mint shows an aggregate gold coinage during the past year of \$36,355,621, and of gold bars \$15,835,997; an aggregate of \$52,191,618. From the annexed report of the director, it would appear that under the recent act of Congress, making a charge of one half per cent on gold coins, and a charge as actually incurred on the gold bars, the receipts into the mint have been \$530,064.95 for the past year, namely:

MINT OF THE UNITED STATES,  
PHILADELPHIA, March 29, 1854. }

SIR: In reply to your letter of the 28th inst., I send you the following statement, showing the total receipts, as well as the total expenses, of the mint, and the net cost or gain as the result for each year:

	Total Expenses.	Total Receipts.	
1848,.....	\$61,938 07	\$17,796 19;	net cost for 1848, \$44,141 88
1849,.....	89,732 56	30,871 24;	" " 1849, 58,861 32
1850,.....	245,077 38	173,791 84;	" " 1850, 71,285 54
1851,.....	440,906 23	350,099 46;	" " 1851, 90,816 77
1852,.....	371,206 64	330,589 25;	" " 1852, 40,707 39
1853,.....	427,643 99	530,064 95;	net profits for 1853, 102,420 96

I have the honor to be, very respectfully, your faithful servant,

JAMES ROSS SNOWDEN, *Director*.

Hon. JAS. GUTHRIE, Sec. Treasury, Washington.

CALIFORNIA MINT.—“At last, after so many complaints of Congress and the Federal Government, we have a mint; a real, efficient, money-making mint. Not on paper, not figurative, not a dream-picture; but an institution of walls and vaults, of steam-boilers, cylinders, and pistons, of machinery of the most modern patterns and improvements, finished with the utmost nicety of art, and capable of turning out one hundred millions of coin per annum.

“Congress appropriated less than one third the amount which a mint equal to the wants and claims of California would have cost. Such an institution should have been built at an expense of a million of dollars; should have been like the ‘mother mint’ at Philadelphia, set apart, with grounds capable of embellishment all around it; and the structure so large and beautiful as to be at once an ornament and pride of our city and State, and fully equal to its wants and character for centuries to come.

“So the Secretary of the Treasury had to do the best he could. He accordingly made a contract to furnish a building according to certain specifications, and by a certain time to have ready for the acceptance of the government a mint capable of coining, we believe, thirty millions of dollars annually. The contract was signed on the 15th of April last, and the mint is already finished and will go into immediate operation.”—*San Francisco Chronicle*.

MINT RETURNS.—Of the new order to prohibit the publication of the mint returns as heretofore, the Philadelphia *North American* says:

“We are unable to present to-day our customary exhibit of the operations of the mint for the month of April, in consequence of an order from the treasury department, forbidding the officers of the institution furnishing the information for publication. In future, we understand, the information is only to be communicated to the Secretary of the Treasury, who will exercise his own discretion as to the time and form of publication. This, we cannot but think, is a reform backward, and apparently without any object, unless it be the object of the honorable secretary to withhold facts from the business and financial portions of the country at large, and in which they have a deep interest.”

NEW COIN.—We learn from the Washington *Union* that specimens of the new three-dollar gold piece have been submitted to the secretary of the treasury and approved, and that the new coin will be immediately put in circulation. The obverse of this coin represents an ideal head, with the feathered cincture, symbolic of America, the word “liberty” appearing on the band encircling the head, and the inscription “United States of America” surrounding the whole. On the reverse is a wreath composed of some of the staple productions of the United States, namely, wheat, cotton, Indian corn, and tobacco; the denomination and date being in the centre. As compared with the other gold coins, the devices and arrangement are novel, but perhaps not less appropriate; and, together with the difference in the diameter of the piece, will make it readily distinguishable from the quarter eagle, which approaches it most nearly in value. It is 16-20ths of an inch in diameter, and weighs 77-4 grains.

The three-dollar gold piece is an innovation upon the decimal system that has long prevailed. We do not see that any utility (but much confusion) will arise in adopting the new coin, a piece so near in size the quarter eagle.

**GOLD AT THE CAPE OF GOOD HOPE.**—The New-York *Tribune* of Saturday contains full accounts of the recent discovery of gold at the Cape of Good Hope. It is announced that gold in a pure state, or largely diffused in the copper veins and quartz rocks, has been found at several points in the same localities in the district of Clanwilliam, between Saldanha Bay and the Orange River. The Cape Town journals are greatly elated at the discovery. They anticipate a sudden influx of population, with a proportionate impulse to agricultural industry, and the consequent rise in the value of land. If the copper and gold-fields of the Cape should prove equally abundant with the mines of California and Australia, they look for the speedy advent of the "good time coming" in South Africa. The superiority of its geographical position, and the unbounded resources of its soil and climate, they believe, will at once place the country in the front rank of the infant states which are now springing up to adorn the earth. The news, however, does not appear to have disturbed the public tranquillity in England to any considerable extent; and for ourselves, we shall postpone all sanguine hopes of an Ethiopian millennium until after another arrival.

It is a common practice in this country to disfigure the coins in circulation, by stamping upon them the names of certain persons who wish to obtain a notoriety thereby. There is no law, that we are aware of, adopted by Congress to meet this abuse. We publish the following law of Great Britain, which was passed a few months since, and which was prepared for the purpose of obviating a similar annoyance there:

**DEFACING THE COIN.**—[16 and 17 Victoria, cap. 102; August 20, 1853.] An act to prevent the defacing of the current coin of the realm:

§ 1. Any person stamping any names or words on any current gold, silver, or copper coin, or who shall use any instrument for bending the same, shall be deemed guilty of a misdemeanor in England and Ireland, and in Scotland of a crime or offense, and be liable to fine and imprisonment at the discretion of the court.

§ 2. No tender of any coin so defaced, stamped, or bent, to be allowed as a legal tender, and every person uttering such coin to be liable to a penalty not exceeding 40s.; but no proceedings to be taken except by the attorney-generals in England and Ireland, and by the lord-advocate in Scotland.

---

**LEGAL DECISION.**—The February number of Livingston's *Law Magazine* contains the opinions of Justices Black, Lewis, Lowrie, and Woodward, of the Supreme Court of Pennsylvania, in the case of *Sharpless and Others against The Mayor, &c., of Philadelphia*; upon the question, whether "the legislature can pass a valid act, giving to a municipal corporation the power of subscribing to the stock of a railroad company?" A majority of the court sustain the constitutionality of the legislature's doing so. The Chief Justice commences by saying that he regards this as the greatest question that has ever come before the court since the organization of the Commonwealth. And while he deplores the system of municipalities taking stock in railroad companies, yet he denies the position that it is unconstitutional for the legislature to pass an act authorizing them to do so.

## FINANCES OF THE STATES.

*From the Report of the Secretary of the Treasury to Congress, made in compliance with a Resolution adopted by the House of Representatives in 1853.*

Table showing the amount of State bonds outstanding June 30, 1853, the amount of the same then held by foreigners residing beyond the bounds of the United States, according to the estimate of Winslow, Lanier & Co., in the States marked with an (\*); the amount of property held by various State governments, exclusive of school funds, according to the *American Almanac* for 1854; and the amount of real and personal estate subject to taxation in each State, according to the United States census return for 1850.

STATES AND TERRITORIES.	BONDS OUTSTANDING JUNE 30, 1853.	HELD BY FOREIGNERS.	PROPERTY OWNED BY STATE GOVERNMENTS.	REAL & PERSONAL ESTATE, 1850.	
				ASSESSED VALUE.	TRUE VALUE.
Maine, . . . . .	\$471,500	None.	.....	\$96,765.86	\$122,777.571
New-Hampshire, . . . . .	74,899	None.	.....	92,177.930	103,652.835
Vermont, . . . . .	None.	None.	.....	71,671.651	92,205.049
Massachusetts, . . . . .	6,445,000	\$1,000,000	\$10,851,960	546,008.057	578,842.286
Rhode-Island, . . . . .	None.	None.	.....	77,758.974	80,508.794
Connecticut, . . . . .	None.	None.	406,000	119,068.672	155,707.980
New-York, . . . . .	24,823,838	6,758,700	35,115,237	715,869.028	1,080,309.216
New-Jersey, . . . . .	None.	None.	1,029,661	190,000.000	200,000.000
Pennsylvania, . . . . .	40,021,445	26,584,671	33,091,093	497,089.649	722,486.120
Delaware, . . . . .	None.	None.	190,000	16,406.884	21,062.556
Maryland, . . . . .	15,356,224	5,587,917	27,581,755	208,563.566	219,217.364
Virginia, . . . . .	12,069,382	3,075,909	18,911,626	851,876.660	430,701.082
North-Carolina, . . . . .	2,224,000	*2,200,000	600,000	212,071.413	226,800.472
South-Carolina, . . . . .	1,925,898	987,777	5,240,000	283,867.709	282,257.694
Georgia, . . . . .	2,902,472	*2,101,534	5,250,000	335,110.225	335,425.714
Florida, . . . . .	None.	None.	.....	22,784.837	22,562.270
Alabama, . . . . .	4,497,666	4,397,666	700,000	219,476.150	238,204.322
Louisiana, . . . . .	9,599,907	8,000,000	2,416,938	220,165.172	238,998.764
Arkansas, . . . . .	2,488,839	*1,700,000	.....	86,423.675	89,841.023
Mississippi, . . . . .	7,271,707	*7,271,707	2,000,000	208,421.167	228,951.130
Tennessee, . . . . .	8,653,856	*1,900,000	3,654,456	189,437.623	201,246.686
Kentucky, . . . . .	5,571,297	*2,785,000	6,000,000	391,987.554	301,625.458
Missouri, . . . . .	802,000	40,000	272,263	98,595.468	187,247.707
Illinois, . . . . .	17,000,000	*12,750,000	5,000,000	114,752.645	156,265.006
Indiana, . . . . .	7,712,850	*5,775,000	.....	152,970.300	202,650.264
Ohio, . . . . .	15,542,549	*10,360,000	18,000,000	433,872.632	504,726.120
Michigan, . . . . .	2,359,551	*1,600,000	628,900	80,877.228	59,787.255
Wisconsin, . . . . .	100,000	None.	.....	26,715.525	42,056.595
Iowa, . . . . .	65,000	None.	.....	31,690.642	23,714.638
Texas, . . . . .	5,841,528	195,907	.....	51,027.456	52,740.178
California, . . . . .	*2,997,488	.....	.....	122,123.176	122,161.572
District of Columbia, . . . . .	None.	None.	.....	14,018.874	14,018.874
Minnesota, . . . . .	None.	None.	.....	.....	.....
Utah, . . . . .	None.	None.	.....	946.083	956.063
Oregon, . . . . .	None.	None.	.....	5,063.474	5,063.474
New-Mexico, . . . . .	None.	None.	.....	5,174.471	5,174.481
Total, . . . . .	\$190,718,221	110,972,108	171,889,889	6,009,171.558	7,135,750.223

+ A small amount held by foreigners.—Winslow, Lanier & Co.

‡ The returns for California are for only 13 counties in 1850. Later documents give the following results for the State: Value of taxable property in 81 counties in 1852, \$54,388,175; value of taxable property in 29 counties in 1852, \$91,888,875. The returns for 1853 do not embrace seven counties; in some of which there was much taxable property.



General statement of so many miscellaneous companies as have made returns to the treasury department of the amount of their capital authorized, amount paid in, and the amount thereof held by foreigners; and also of the amount of bonds outstanding, and the amount thereof held by foreigners on the 30th of June, 1853.

NAMES.	PLACE.	CAPITAL AUTHOR- IZED.	CAPITAL PAID IN.	HELD BY FOR- EIGNERS.	BONDS OUT- STANDING.	HELD BY FOR- EIGNERS.
N. Y. Exchange,*	New-York	\$1,000,000	\$1,000,000	\$20,000	None.	None.
Gas Light Co.	do.	1,000,000	750,000	67,300	do.	do.
Manh'n. Gas Light.	do.	2,000,000	1,300,000	46,070	do.	do.
Brooklyn Gas Light.	Brooklyn	1,000,000	448,000	do.	do.	do.
George's Creek Coal & Iron Co., . . .	Baltimore	1,100,000	1,100,000	None.	327,500	\$198,600
Frostburg Min. Co., . .	Frostburg	2,000,000	2,000,000	None.	None.	None.
Penn. Coal Co., . . .	New-York	3,000,000	3,000,000	10,650	600,000	60,000
Beaver Meadow,†	Philadelphia	822,300	None.	822,300	236,500	.....
M't. Savage Iron Co., . . .	.....	500,000	500,000	135,000	28,838	7,173
Liangollen Min. Co., . .	.....	.....	212,000	None.	439,000	None.
Swanton Coal Co., . .	Cumberland	500,000	500,000	do.	None.	do.
Borden Mines, . . .	Frostburg	200,000	200,000	do.	do.	do.
Acc'y. Transit Co., . .	New-York	7,870,000	2,000,000	do.	320,000	do.
Lyken's Val. Coal Co.	Philadelphia	800,000	400,000	do.	None.	do.
Panama Rail'd. Co., . .	New-York	.....	2,198,312	65,000	800,000	Not known

NOTE.—It has been found impossible to ascertain even the names of the miscellaneous companies. In Massachusetts the policy of conducting business by means of incorporations has been carried to a greater extent than in any other State. From a report to the legislature on the 8th of June, 1853, it appears that the number of manufacturing companies that had been incorporated up to that date was 848, with an authorized capital of \$184,875,998; and the number of miscellaneous companies 267, with an authorized capital of \$41,522,000: total 1115 companies, with a capital of \$226,397,998, exclusive of banking, railroad, and insurance companies. But the report does not state how many of these ever commenced business, much less how many of them are at present in operation. From such returns as have been received, it is presumable that but little of the stock of manufacturing and miscellaneous companies is held by foreigners.

General summary of U. S. stocks, State, City, County, Bank, Insurance, Railroad, and Miscellaneous stocks, outstanding; showing what portions of the same are held abroad, June 30, 1853.

	Total.	Held by foreigners.
United States stocks, . . . . .	\$58,205,517	\$27,000,000
State stocks, . . . . .	190,718,221	72,931,507
113 cities and towns, (bonds,) . . . . .	79,352,149	16,462,322
347 counties, (bonds,) . . . . .	13,928,369	5,000,000
985 banks, (stocks,) . . . . .	266,724,955	6,688,996
75 Insurance companies, (stocks,) . . . . .	12,829,730	378,172
244 railroad companies, (stocks,) . . . . .	309,893,967	8,244,025
Do. do. (bonds,) . . . . .	170,111,552	43,888,752
16 canal and navigation companies, (stocks,) . . . . .	35,888,918	554,900
Do. do. (bonds,) . . . . .	22,130,569	1,967,547
15 miscellaneous companies, (stocks,) . . . . .	16,425,612	802,720
Do. do. (bonds,) . . . . .	2,358,323	265,773
Total, . . . . .	\$1,178,567,882	\$184,184,714

If the estimate of Winslow, Lanier & Co. be preferred, as to the amount of State stocks held by foreigners, \$110,972,108 must be substituted in the second line of the second column, and the total will then be—

Aggregate of stocks and bonds, . . . . .	\$1,178,567,882
Aggregate held by foreigners, . . . . .	222,225,315

\* \$20,000 held in trust for foreigners.

† All the bonds presumed to be held by Americans.

‡ This is the whole amount of debt of this company.

## BANK OF THE STATE OF NORTH-CAROLINA.

NOVEMBER, 1852-53.

RESOURCES.	November, 1852.	November, 1853.
Discounted debt and other securities,.....	\$2,417,807 07...	\$2,242,354 27
Bills of exchange.....	704,597 96....	926,222 49
Real estate.....	41,115 71....	35,115 71
Due from other banks.....	46,242 53....	432,090 16
Notes of other banks.....	73,516 ....	177,324 00
Specie.....	655,774 ....	641,794 96
Bills and checks in transit.....	8,729 28	
	<hr/> \$3,947,782 55	<hr/> \$4,454,901 59

LIABILITIES.	November, 1852.	November, 1853.
Capital Stock.....	\$1,500,000 ....	\$1,500,000
Notes in circulation.....	1,642,520 ....	1,835,799
Deposits.....	320,090 74....	491,992 34
Public treasurer of North-Carolina.....	81,196 11....	165,909 50
Due to other banks.....	70,605 63....	53,658 90
Pension Agent.....	8,582 02....	7,092 30
Dividends unpaid.....	912 ....	2,567
General profit and loss and contingent fund..	323,876 55....	346,869 46
Bills and checks in transit.....		51,013 09
	<hr/> \$3,947,782 55	<hr/> 4,454,901 59

The annual meeting of the stockholders of this institution was held at their banking house in Raleigh, on Monday the 2d inst.; there was quite a full attendance by proxy, and after the transaction of the usual business the meeting adjourned on the same day. The former board was reelected, namely, Messrs. G. W. Mordecai, president, Wm. Boylan, Wm. Peace, Alfred Jones, J. H. Bryan, B. F. Moore, Jos. B. G. Roulhac, and on the part of the State, Messrs. O'B. Branch, Wm. R. Poole, and D. W. Courts, public treasurer *ex officio*. It was decided to take measures to procure a renewal of the charter by the next legislature.

This bank was incorporated for sixteen years by an act of legislature in 1834; its charter will consequently expire Jan. 1st, 1860. By successful management it has obtained a position and influence which scarcely any State institution ever possessed and certainly none in North-Carolina. After passing uninjured through the crisis of 1837, under the able guidance of its first president, Mr. Cameron, it rapidly acquired confidence and strength, and now stands preëminent among the State institutions of our land.

It will probably be re-chartered with an increase of capital by the next legislature; its present capital is one and a half millions, divided into 15,000 shares, of which 1000 are held by the university and more than 5000 by the literary board; all except these last two pay one fourth per cent tax to the State. The circulation is limited to three millions, but it has never reached that point, and its assets to four and a half millions. Branches are located at Elizabeth City, Newberne, Fayetteville, Windsor, Wilmington, Tarboro, Charlotte, Morganton, and Milton.

## BANK STATISTICS.

[From the Report of the Secretary of the Treasury to Congress, 1854.]

## BANK CAPITAL, ETC., OF FIVE SEVERAL SECTIONS OF THE UNITED STATES.

SECTIONS.	Bills & Receipts.		Capital paid in.		Loans and discounts.		Stocks.		Real estate.	
	1850-'51.	1853-'54.	1850-'51.	1853-'54.	1850-'51.	1853-'54.	1850-'51.	1853-'54.	1850-'51.	1853-'54.
Eastern States, . . . . .	313	397	\$66,990,145	\$84,556,483	\$149,148,789	\$983,501	\$191,777	\$983,501	\$1,919,184	\$2,015,889
Middle States, . . . . .	516	451	79,716,950	114,834,179	170,896,640	283,692,631	15,419,701	24,458,149	5,949,774	6,993,646
Southern States, . . . . .	91	116	40,899,024	46,646,211	69,487,459	73,213,195	4,957,874	7,292,894	8,426,580	9,480,007
South-western States, . . . .	83	92	29,917,066	38,384,808	51,163,748	72,781,029	1,191,225	2,058,323	3,594,764	8,073,777
Western States, . . . . .	77	122	11,565,888	16,354,860	25,773,497	28,576,184	2,021,413	9,092,404	1,037,492	789,943
Total, . . . . .	879	1,286	\$227,907,553	\$301,370,671	\$413,756,799	\$707,987,438	\$22,388,980	\$44,350,280	\$30,570,784	\$42,307,472

SECTIONS.	Other Investments.		Due by other banks.		Notes of other banks.		Specie funds.		Specie.	
	1850-'51.	1853-'54.	1850-'51.	1853-'54.	1850-'51.	1853-'54.	1850-'51.	1853-'54.	1850-'51.	1853-'54.
Eastern States, . . . . .	\$49,496	\$37,883	\$0,661,775	\$19,082,448	\$5,238,147	\$7,336,194	\$10,991	\$302,804	\$4,683,774	\$17,883,051
Middle States, . . . . .	2,152,490	1,569,958	17,738,873	19,370,777	6,664,315	7,530,593	13,468,342	52,860,124	8,903,871	18,104,198
Southern States, . . . . .	2,903,203	2,108,791	11,134,910	7,499,880	9,382,548	3,164,570	448,960	531,124	670,868	4,074,189
South-western States, . . . .	2,806,593	2,695,259	7,545,472	7,743,656	1,381,440	1,974,371	1,200,000	365,133	4,579,323	\$45,671,048
Western States, . . . . .	694,260	222,408	4,613,025	7,409,414	1,529,988	2,647,318	93,655			
Total, . . . . .	\$9,935,972	\$6,841,420	\$39,718,015	\$55,516,085	\$17,196,183	\$22,050,460	\$15,341,190			

SECTIONS.	Circulation.		Deposits.		Due to other banks.		Other liabilities.	
	1850-'51.	1853-'54.	1850-'51.	1853-'54.	1850-'51.	1853-'54.	1850-'51.	1853-'54.
Eastern States, . . . . .	\$79,121,921	\$19,396,107	\$17,397,742	\$24,598,038	\$7,750,247	\$10,546,038	\$653,198	\$1,725,523
Middle States, . . . . .	45,619,189	61,116,263	78,019,354	118,917,921	30,199,210	27,81,364	8,151,500	5,960,919
Southern States, . . . . .	38,176,977	40,834,150	11,906,343	14,597,101	8,888,638	3,432,446	1,480,906	1,305,686
South-western States, . . . .	25,768,405	33,534,965	15,284,347	20,044,818	8,118,040	5,882,246	670,782	2,897,091
Western States, . . . . .	15,379,549	20,068,733	6,357,027	11,710,862	1,460,603	2,709,468	489,786	1,514,067
Total, . . . . .	\$155,105,251	\$204,680,207	\$128,907,719	\$188,188,744	\$46,416,928	\$50,892,162	\$4,438,927	\$13,439,276

Eastern States.—Maine, New Hampshire, Vermont, Massachusetts, Rhode-Island, Connecticut.  
 Middle States.—New York, New Jersey, Pennsylvania, Delaware, Maryland.  
 Southern States.—Virginia, North-Carolina, South-Carolina, Georgia.  
 South-western States.—Alabama, Louisiana, Mississippi, Tennessee, Kentucky, Missouri.  
 Western States.—Illinois, Indiana, Ohio, Michigan, Wisconsin.

## BANK STATISTICS.

*Massachusetts Bank Dividends.*

[PREPARED FOR THE BOSTON DAILY COURIER, BY GEORGE A. FOXCROFT.]

BANKS.	LOCATION.	Div.	Div.	Div.	Div.	Div.	AV'GE AMT. DIV. LAST 5 YEARS.
		1848.	1849.	1850.	1851.	1852.	
		pr. ct.	pr. ct.	pr. ct.	pr. ct.	pr. ct.	pr. ct.
Ocean.....	Newburyport.....	10	10	10	10	10	10
Lowell.....	Lowell.....	9	10	10	10	10	9 8-10
Agricultural.....	Pittsfield.....	10	10	10	9 1/2	8	9 5-10
Appleton.....	Lowell.....	10	10	8	9	9	9 2-10
Haverhill.....	Haverhill.....	9 1/2	10	9	9 1/2	8	9 2-10
Plymouth.....	Plymouth.....	7 1/2	8	10	10	10	9 1-10
Brighton.....	Brighton.....	8	8 1/2	9 1/2	10	9	9
Northampton.....	Northampton.....	8	9	9	9	9	8 8-10
Merchants'.....	New-Bedford.....	7	7	8	18	8 1/2	8 7-10
Bristol County.....	Taunton.....	8	8	8	8	10	8 4-10
Bunker Hill.....	Charlestown.....	8	8	8	8	8	8
Chicopee.....	Springfield.....	8	8	8	8	8	8
Dedham.....	Dedham.....	8	8	8	8	8	8
Hingham.....	Hingham.....	8	8	8	8	8	8
Merrimack.....	Haverhill.....	8	8	8	9	7	8
Railroad.....	Lowell.....	8	8	8	8	8	8
Quincy Stone.....	Quincy.....	8	7 1/2	8	8	8	7 9-10
Marine.....	New Bedford.....	6 1/2	7	7	10	8 1/2	7 8-10
Andover.....	Andover.....	7 1/2	8	8	8	7	7 7-10
Bedford Com'rcl.....	New-Bedford.....	6	7	7	10	8 1/2	7 7-10
Pacific.....	Nantucket.....	6	6 1/2	8	8 1/2	9 1/2	7 7-10
Peoples'.....	Roxbury.....	8	7 1/2	7	8	8	7 7-10
Citizens'.....	Worcester.....	6	8	8	8	8	7 6-10
Charles River.....	Cambridge.....	6	7	8	8	8	7 4-10
Commercial.....	Salem.....	6	7 1/2	8	8	7 1/2	7 4-10
Central.....	Worcester.....	6 1/2	7	7	8	8	7 3-10
Quinsigamond.....	Worcester.....	6 1/2	7	7 1/2	8	7 1/2	7 3-10
Worcester.....	Worcester.....	6	7 1/2	8	7 1/2	7 1/2	7 3-10
Asiatic.....	Salem.....	6	7	7	7	8	7
Naumkeag.....	Salem.....	7	7	7	7	7	7
Springfield.....	Springfield.....	7	7	7	7	7	7
Bay State.....	Lawrence.....	5	8	7 1/2	7	7	6 9-10
Framingham.....	Framingham.....	8	7	6	6 1/2	7	6 9-10
Warren.....	Danvers.....	6	6 1/2	7	7	7	6 7-10
Wrentham.....	Wrentham.....	6	6	6	6	6 1/2	6 1-10
Mechanics'.....	Newburyport.....	6	6	6	6	6	6
Machinists'.....	Taunton.....	6	6	6	6	6	6
Massasoit.....	Fall River.....	6	6	6	6	6	6
Salem.....	Salem.....	6	6	6	6	6	6
Neponset.....	Canton.....	6	6	5	6	6	5 8-10
Amount of Dividends.....		\$537,665	\$604,680	\$630,720	\$687,070	\$725,816	

**EXTRA DIVIDENDS.** The following banks made extra dividends (not included in the table) during the five years: In 1848, the Central Bank of Worcester, 9 per cent, amounting to \$9000; Chicopee Bank of Springfield 6 per cent, \$12,000; Dedham Bank, 4 per cent, \$6000; Brighton Bank, 5 per cent, \$10,000; Framingham Bank, 5 per cent, \$7500. In 1849, the People's Bank, of Roxbury, 6 per cent, \$6000; in 1850, the Bay State Bank of Lawrence, 3 per cent, \$2582.69; in 1852, the Dedham Bank, 4 per cent, \$8000.

**GOVERNMENT, STATE, CITY, COUNTY, AND RAILROAD STOCKS,  
BONDS, ETC.**

NEW-YORK, MAY 16, 1854.

NAMES OF COMPANIES.	AMOUNT.	NATURE OF BONDS.	IN WHEN PAYABLE.	AT	DUE.	OFF'D.	ASK'D
Alabama & Tenn. River	833,000	1st mort. con. till 1872	7 1 Jan. 1 July	N. Y.	1872	X	85
Baltimore & Ohio	1,000,000	Transferable—taxed	6 Quarterly.	Balt.	1853	X	85 1/2
do. do.	1,128,000	Coupons, free of tax	6 January, July	"	1875		86
do. do.	700,000	do. do.	6 Half-yearly	"	1880		87
Buffalo & State Line	800,000	1st mort., not conv.	7 April, Oct.	N. Y.	1866		88 1/2
do. do.	300,000	No mort., do.	7 January, July	"	1881		88 1/2
Buffalo & New-York City	1,300,000	1st mort.	7 Divers	"	1861-66		73
Belleville & Indiana	600,000	1st do. convertible	7 January, July	"	1868		83 1/2
Cin., Wilmington, & Zanesville	1,300,000	1st do. do.	7 May, Nov.	"	1872		84 1/2
Cincinnati, Hamilton, & Dayton	500,000	2d mort., not conv.	7 May, Nov.	"	1880		85 1/2
do. do.	1,000,000	3d do. do.	7 May, Nov.	"	1880		85 1/2
Cincinnati & Marietta	2,500,000	1st do. conv. till 1862	7 January, July	"	1862		86 1/2
Cleveland, Painesville, & Ashtabula	567,000	1st mort., not conv.	7 Feb., August	"	1861		86 1/2
Cleveland & Pittsburgh	800,000	do. convertible	7 Feb., August	"	1860		87 1/2
do. do.	1,200,000	do. 2d sec., conv.	7 March, Sept.	"	1873		87 1/2
Cleveland & Toledo	525,000	do. not conv.	7 Feb., August	"	1863		88 1/2
do. do. (Ohio June.)	800,000	do. convertible	7 Divers	"	1861-72		86 1/2
Chicago & Rock-Island, (Illinois)	2,000,000	do. conv. till 1858	7 10 Jan., 10 July	"	1870		83 1/2
Chicago & Mississippi	800,000	do. do. 1858	7 April, Oct.	"	1863		82 1/2
do. do.	1,200,000	do. not conv.	7 April, Oct.	"	1874		75
Covington & Lexington	2,000,000	2d mort. con. till 1858	7 January, July	"	1858		87 1/2
do. do.	400,000	1st mort., not conv.	6 April, Oct.	"	1862		87 1/2
Dayton & Western	1,000,000	2d mort., convertible	7 March, Sept.	"	1863		87 1/2
Fort Wayne & Chicago	300,000	1st mort., do.	7 March, Sept.	"	1863		87 1/2
Galena & Chicago	1,250,000	do. conv. till 1863	7 January, July	"	1863		89 1/2
Indianapolis & Bellefontaine	1,200,000	do. not conv.	7 Feb., August	"	1863		89 1/2
Indianapolis & Lafayette	450,000	do. convertible	7 January, July	"	1861-61		87 1/2
Indiana Central	350,000	do. do.	7 15 Feb., 15 Aug.	"	1861		87 1/2
Illinois Central	600,000	do. do.	7 May, Nov.	"	1866		87 1/2
Illinois Great Western	17,000,000	Mort., not conv.	7 1 Oct., 1 April	"	1875		87 1/2
Jeffersonville (Ind. to Louisville)	1,000,000	1st mort., do.	10 April, Oct.	"	1868		97
do. do.	300,000	do. 1st sec. do.	7 March, Sept.	"	1861		87 1/2
Lake Erie, Wabash, & St. Louis	3,400,000	do. 2d do. do.	7 April, Oct.	"	1873		87 1/2
Lawrenceburgh & Indianapolis	500,000	do. conv. till 1859	7 Feb., August	"	1859		85
Little Miami	1,500,000	do. do. 1857	7 March, Sept.	"	1866		85
Maysville & Lexington	500,000	do. not conv.	6 April, Oct.	"	1863		88
Madison & Indianapolis	600,000	do. conv. till 1860	6 January, July	"	1860		70
Michigan Central	1,000,000	do. convertible	7 May, Nov.	"	1861		86 1/2
do. do.	1,300,000	No mort., do.	8 April, Oct.	Bost.	1861		103 1/2
do. do.	1,150,000	do. do.	8 April, Oct.	"	1853-56		100
do. do.	1,000,000	do. not conv.	8 Semi-annually	N. Y.	1857-58		100
Michigan Southern	1,000,000	1st mort., do.	7 May, Nov.	"	1860		96
Milwaukee & Mississippi	600,000	do. 1st sec. con. 1857	8 January, July	"	1857		100
do. do.	650,000	do. 2d do. 1858	8 April, Oct.	"	1863		95
New-York Central	8,287,000	No mort., not conv.	6 May, Nov.	"	1863		88 1/2
do. do. (Subscription)	750,000	do. do.	6 May, Nov.	"	1866		88 1/2
New-York & New-Haven	750,000	do. do.	7 June, Dec.	"	long		94
New-York & Harlem	1,800,000	1st mort., do.	7 May, Nov.	"	1861-72		94 1/2
New-Haven & New-London	450,000	do. do.	7 10 Mch., 10 Sep.	"	1866		95 1/2
New-Haven & Hartford	1,000,000	do. do.	6 January, July	"	1873		95 1/2
New-Albany and Salem	500,000	do. on 1st sec.	10 April, Oct.	"	1858-62		95 1/2
do. do.	2,325,000	do. other do. con. 58	8 May, Nov.	"	1864-75		95
Northern Indiana	1,000,000	do. not conv.	7 Feb., August	"	1861		95
do. do. Goshen Branch	1,500,000	do. do.	7 Feb., August	"	1868		95
Northern Cross	1,200,000	do. convertible	8 January, July	"	1873		95
Ohio Central	450,000	do. conv. west sec.	7 Feb., August	"	1861		94 1/2
do. do.	800,000	do. do. east do.	7 May, Nov.	"	1864		94 1/2
Ohio & Pennsylvania	1,750,000	do. convertible	7 January, July	"	1865-66		102 1/2
do. do.	600,000	Income, no mor. con.	7 April, Oct.	"	1872		95
Ohio & Indiana	1,000,000	1st mort., conv.	7 Feb., August	"	1867		100
Ogdensburg, (Northern.)	1,500,000	do. do.	7	"	1859		79
do. do.	1,450,000	2d mort. conv.	7 April, Oct.	"	1861		95 1/2
Panama	2,378,000	No mort. con. 1856-58	7 January, July	Bost.	1856		105 1/2
Pennsylvania	5,000,000	1st mort. con. till 1860	6 1 Jan., 1 July	N. Y.	1860		98
Philadelphia & Westchester	400,000	do. do. 1863	7 January, July	Phil.	1873		90
Reading	6,014,000	do. do.	6 January, July	"	1860		86
do. do.	3,038,000	2d mort.	6 April, Oct.	"	1870		76
Scioto & Hocking Valley	300,000	1st mort. 1st div. con.	7 May, Nov.	"	1861		95
Springf., Mt. Vernon, & Pittsburgh	500,000	do. convertible	7 January, July	N. Y.	1869		95 1/2
Steuensville & Indiana	1,500,000	do. do.	7 January, July	"	1865		85
Tennessee R. R.'s guar. by State	600,000	do. do.	6	"	1866		100 1/2
Terre-Haute & Indianapolis	600,000	do. do.	7 March, Sept.	"	1866		100 1/2
Terre-Haute & Alton	1,000,000	do. conv. till 1865	7 Feb., August	"	1865		92
Wilmington & Manchester (N. Ca.)	600,000	do. convertible	7 June, Dec.	"	1866		95

"X" stands for Ex Interest.

U. S. Gov. Securiti's.		INT. PAYABLE.		OFF'D.		ASK'D		R. R. Co.'s.		Last year Dividend		INT. PAY'BL.		OFF'D.		ASK'D	
Loan, 6 per cent.....	1856	Jan. July.		108	108 3/4	Baltimore & Ohio.....	100	April, Oct.	50 1/4	60 1/4							
do. do. ....	1862	do.		117 1/2	117 7/8	Cin., Ham., & Dayton.....	100	Feb. Aug.	57 3/4	98 1/4							
do. do. ....	1867	do.		123	123 3/8	Cleveland, Col. & Cin.....	100	Jan. July.	116	117							
do. do. ....	1868	do.		123	123 3/8	Cleve. & Pittsburgh.....	50	do.	78	79							
do. do. Coup. b's. 1868		do.		123	123 3/8	Cleveland & Toledo.....	50	M'ch. Sept.	93	93 1/2							
do. 5 perct. do. 1865		do.		111 5/8		Erie.....	100	April, Oct.	69 1/4	70 1/4							
<b>State Securities.</b>																	
N. Y. 6 per ct.....	1860-61-62	Jan. April.		107		Galena & Chicago.....	100	Feb. Aug.	127 1/2	130							
do. do. ....	1864-65	July, Oct.		110		Harlem.....	50	do.	51	51 1/4							
do. do. ....	1866-67	Jan. July.		113		do. preferred.....	50	Jan. July.	98 1/2	100							
do. 5 1/2 per ct.....	1860-61			103		Hudson River.....	100	May, Nov.	64 1/4	64 3/4							
do. do. ....	1865			105		Illinois Central.....	100	Jan. July.	118	119							
do. 5 per ct.....	1858-60	Jan. April.		101		Little Miami.....	50	June, Dec.	106 1/2	107 1/2							
do. do. ....	1866	July, Oct.		102		Macon & Western.....	10	Feb. Aug.	105	110							
do. 4 1/2 per ct. 1858-59-64						Mad. & Indianapolis.....	50	Jan. July.	105	50							
Canal Certifs. 6 p. ct. ....	1861	Jan. July.				Michigan Central.....	100	Dec.	103 3/4	104 1/4							
Ohio, do. do. ....	1856	do.		101 1/2	103	do. Southern.....	100	Jan. July.	119	120							
do. do. ....	1860	do.		105	106	do. do. con. st. ....	100	do.	103								
do. do. ....	1870	do.		108	112	New Jersey.....	50	Feb. Aug.	140	141							
do. do. ....	1875	do.		108		Northern Indiana.....	100	Jan. July.	118	118 1/2							
do. 5 per cent.....	1865	do.			104	do. do. con. st. ....	100	do.	103	104							
Pennsylvania, 5 per cent.....		Feb. August.		85 1/2	86 1/2	N. Haven & Hartford.....	100	Apr. Oct.	123	124							
do. 5 per ct. coup. ....	1877	do.		91 1/2	92 1/2	New-York Central.....	100	Feb. Aug.	104	104 1/2							
*Massachusetts, 5 per cent.....						N. Y. & New-Haven.....	100	15 Fe 15 Au	93	93 1/2							
Kentucky, 6 p. ct. b'd. 1869-72		Jan. July.		105	106	Ohio & Pennsylvania.....	50	Jan. July.	90	92 1/2							
Illinois, Int. Imp. 6 p. ct. 1847		do.		89	90	Panama.....	100	do.	105	106							
do. 6 per cent. Interest		do.		60	62	Pennsylvania a.....	50	May 15 No.	90	90 1/2							
Indiana State, 5 per ct. ....		do.			99	Reading.....	50	Jan. July.	75 3/4	76							
do. 2 1/2 per ct.....		do.		56	60	Rome & Watertown.....	100	Feb. Aug.	91	93							
do. Canal Loan, 6 per ct. ....		do.		93		<b>Miscellaneous.</b>											
do. Canal Pref. 5 do.		do.		23	24	N. Y. Life & Trust Co. ....	100	Feb. Aug.	140	150							
Maryland, 6 do. ....	Jan. April.			104 1/2	106 1/2	Ohio do. ....	100	Jan. July.	91	93							
do. 5 do. ....	July, Oct.					N. Y. Gas-Light Co. ....	50	May Nov.	130								
Alabama, 5 do. ....	May, Nov.					Manhattan do. ....	50	Jan. July.	126								
Tennessee, 5 per ct. bonds..	Jan. July.				90	Dela. & Hud. Can. Co. ....	100	June Dec.	112	113							
do. 6 do. do. long	do.			102 1/2	106	Pennsylvania Coal Co. ....	50	Feb. Aug.	104 3/4	105 1/4							
Virginia, 6 do. do. ....	1886	do.		105 3/4	106 1/4	U. S. Bank.....	100	In liquidation		31 1/2							
Missouri, 6 do. do. ....	1872	do.		104 1/4	106 1/4	<b>Boston Banks.</b>											
N. Carolina 6 do. ....	1873	do.					par										
Georgia, 6 do. ....	1872	do.				Atlantic.....	100		108	109							
California, 7 do. ....	1870	do.		83	84	Atlas.....	100		102	102 1/4							
<b>City Securities.</b>																	
New-York 5 per ct.....	1858-60	Feb. May.		96	98	Blackstone.....	100		102	102 1/2							
do. do. ....	1870-75	Aug. Nov.			100	Boston.....	100		58								
*Albany, Bond, 6 p. c. 1871-81		Feb. Aug.		100		Boylston.....	100		110	111							
*Allegheny do. do. 1875-77		Jan. July.		83 1/2	85	Broadway, (S. Boston).....	100		102								
Baltimore do. do. 1870-90		Ja. Ap. Ju. Oc.		96 1/2	101	City.....	100		102 1/2	103							
*Boston do. 5 do. ....		April, Oct.			100 1/2	Cochituate.....	100		102	103							
Brooklyn do. 6 do. ....		Jan. July.		100		Columbian.....	100		100 1/4	100 3/4							
*Cleveland do. W. W. p. c. 1879		do.		101 3/4	102 1/4	Commerce.....	100		107	108							
*Cincinnati do. 6 p. c. ....		Divers.		97 3/4	98 1/4	Eagle.....	100		100								
*Chicago do. do. ....	1873-77	Jan. July.		91	92 1/2	Eliot, (new).....	100		100 1/2	110							
*Detroit W. W. 7 p. c. 75-78-83		Feb. Aug.		102		Exchange.....	100		100	100 1/2							
*Jersey C. do. 6 do. ....	1877	Jan. July.		100	102 1/2	Faneuil Hall.....	100		114	115							
*Louisville do. 6 do. ....	1880-83	Divers.		82 1/2	85	Freeman's.....	100		102 1/2	103							
*Milwkie do. 7 do. ....	1873	March, Sept.		88 1/4	89 1/2	Globe.....	100		100	100 1/2							
*N. Orleans do. 6 do. ....	1862-63	Jan. July.		98	99	Granite.....	100		111	111							
*Philadelp. 6 do. ....	1875-80	do.		85 1/4	86	Grocers.....	100		98	99							
*Pittsb'gh do. 6 do. ....	78-83	Divers.				Hamilton.....	100		89								
*Rochest'r do. 6 do. ....	1878	do.		89	89 1/2	Howard, (new).....	100		253	257							
*St. Louis do. 6 do. ....		do.		76	77 1/2	Market.....	75		108	109							
*Sacramento do. ....	1862-73	do.		100	101 1/2	Mass.....	250		108	108 1/4							
*S. Francisco 10 do. ....	1871	May, Nov.				Mechanics, (S. Boston).....	100		100	101							
<b>County Bonds.</b>																	
*St. Louis, Mo. 6 p. c. ....	1866	Jan. July.		83 1/4	85	Merchants.....	100		100								
*Fayette, Ky. 6 do. con. 1881		do.		80	84	National, (new).....	100		115								
*Bourbon, Ky. 6 do. do. 81-81		do.				New-England.....	100		103	104							
*Mason, Ky. 6 do. do. 81-82		do.		90	84	North.....	100		103	104							
*Alleghany, Pa. 6 do. ....	1878	do.			85	North America.....	100		109								
<b>Railroad Bonds.</b>																	
N. Y. Central 7 p. ct. ....	1883	May, Nov.		88 3/4	89 1/4	Shawmut.....	100		109								
Erie 1st mort. do. ....	1867	do.		110		Shoe and Leather.....	100		109								
do. 2d do. conv. do. ....	1869	March, Sept.		99		State.....	100		63	64							
do. 3d do. do. ....	1883	do.		87 3/4	88 1/4	Suffolk.....	100		104 1/2	105 1/2							
do. Income do. ....	1855	Feb. Aug.		96 1/4	96 3/4	Traders.....	100		110								
do. Convertibles do. ....	1871	do.		81	82	Tradesman's, (Chel.).....	100		103 1/2	104							
do. do. do. ....	1862	Jan. July.		84	86	Tremont.....	100		110								
Hud'n R. 1st mort. do. 1869-70		Feb. Aug.		102	103	Union.....	100		103	103 1/2							
do. 2d do. do. ....	1860	16 Ju. 16 Dec.		99 1/2	100 1/2	Washington.....	100		103 1/2	104							
do. conv. do. ....	1867	May, Nov.		84	84 1/2	Webster, (new).....	100										
Michigan South. do. ....	1860	do.		95		<b>Philadelphia.</b>											
North. Indiana do. ....	1861	Feb. Aug.					Div.										
						North America.....	100	Jan. 7 p. c.	140	141							
						Pennsylvania.....	100	do. 5 do.	122	123							
						Philadelphia.....	100	May 7 do.	130	135							
						Farmers and Mechanics.....	50	do. 7 do.	74	74 3/4							
						Commercial.....	50	do. 5 do.	60	69 1/4							
						Northern Liberties.....	45	do. 6 do.	50	60							

N. B. All Stocks not specified as Bonds are transferable by inscription. All Bonds (except Hudson 1st and 2d Mortgage and Erie Convertibles) are payable to bearer. "\*" denotes Ex-Interest or Ex-Dividend.

## FOREIGN ITEMS.

**BANK OF SAN FERNANDO, MADRID.**—A letter from Madrid, dated April 11th. gives the following particulars of the run upon the Bank of San Fernando:

**MADRID, April 11.**—About ten millions of reals were drawn out of the Bank of San Fernando yesterday—seven millions belonging to current accounts, and the remainder for bank-notes presented to be cashed. The run on the Bank continues to-day. At eleven this morning there were upwards of 300 persons waiting with bank-notes; and no doubt a large sum will be drawn out before the run is over. The situation of the Bank, as regards its assets and liabilities, according to the last weekly account, made up to the 8th inst., is as follows:

ASSETS.	
Coin and bullion, . . . . .	75,366,466
Bank-notes, . . . . .	400,000
Assets in branch banks, . . . . .	24,220,000
Bills given for national property, due in 1854 and 1855, . . . . .	12,481,403
Bill running (Floating Debt,) . . . . .	167,423,880
Government Stock, . . . . .	31,280,061
Possession of the Bank, . . . . .	8,305,278
Overdue bills and sundries, estimated to produce, . . . . .	41,608,220
Total, . . . . .	360,085,316
LIABILITIES.	
Capital, . . . . .	120,000,000
Notes in circulation, . . . . .	120,000,000
Deposits of all classes, . . . . .	32,543,522
Current accounts, . . . . .	88,033,329
Dividends, . . . . .	1,473,061
Profit and loss, . . . . .	4,035,402
Total, . . . . .	360,085,316

Of the assets of the bank, the 167,423,880 reals of government bills and promissory notes are not available at an emergency, and could not be converted into cash to meet a run. The cash in hand, 75,366,466 reals, and public debt, 31,280,061 reals, which could be realized in case of need, form the fund to meet demands on account of 120 millions of reals for notes in circulation, 82,033,329 reals balances of accounts current, and 32,543,522 reals deposits of all classes. The last item of the assets of the bank, in plain English, would read "bad and doubtful debts." The danger, if there be any, arises from the bank having its resources so largely locked up in government paper, private capitalists are daily more and more averse to negotiate; the most wealthy houses, moreover, being in strong political opposition to the Ministry.

**FINANCES OF RUSSIA.**—The advices from Russia continue of a very unfavorable character with regard to the position of the mercantile classes. From St. Petersburg the dates are to the 8th of April, at which period the Government paper currency still continued at about 12 per cent discount. From Riga the letters of the 7th announce the failure of M. Iwan Shaposhnikoff, a large tallow and oil speculator, for about £85,000, by which Russian dealers alone will suffer, no foreign houses being interested. The weather along the coast had been extremely violent, and both St. Petersburg and Riga had been visited by a tremendous snow-storm, succeeded by a rapid thaw. At Riga it had been blowing a gale for three days from the northwest, and the vessels in the ice in the bay were reported to be in a very dangerous situation. Only eight out of fifteen were to be seen at the time of the post leaving. It was thought that the ice in the river would not remain above a week longer.

**NEW ISSUE OF EXCHEQUER BONDS.**—The anticipations formed last week of the intentions of the Chancellor of the Exchequer, to add to the present debt of the country, in order to render any application to the Bank of England for the current expenses of the war unnecessary, appear to have been well-founded, as that gentleman has this day intimated his readiness to receive orders for £6,000,000 of Exchequer Bonds, to bear  $3\frac{1}{2}$  per cent per annum, and to be redeemed as follows: One third in 1858, one third in 1859, and the remaining third in 1860. It is wished that the tenders be made in Exchequer Bills at par.

This step of Mr. Gladstone's has been looked upon with favor by several of the large capitalists of the metropolis, and the opinion is generally expressed of the desirability of keeping a good balance in hand for the contingencies of the present war. The attention of the commercial world is almost exclusively absorbed by the progress of the war. The telegraphic dispatch received to-night, states that in consequence of the Chancellor of Exchequer's announcement, the Funds fell, and Consols for the account receded to  $87\frac{1}{2}$ , while all other securities declined in proportion.—*London Times*, April 22.

---

## MISCELLANEOUS.

**NEW COTTON.**—Cotton dealers at Mobile have lately received from Texas a consignment of twenty-six bales of Dean cotton.

"This cotton," says the *Mobile Tribune*, "is of a beautiful creamy color, possessing a long, silky fibre, and properly belongs to a class of long cotton; indeed, it ranks in value next to the Sea-Island, so far, at least, as the cottons of the United States are concerned. This kind of cotton is beginning to be disseminated through the Southern States. Messrs. P. B. Pomeroy & Co., of Mobile, have sold this season a considerable quantity of the seed. The seed was originally sent to Mr. John Dean, of Galveston, from the island of Curaçoa, believed to have been obtained from some part of South America."

There is some excitement in south-western Virginia in reference to recent discoveries of copper-mines in Carroll and other counties near the Tennessee State lines. The Virginia and Tennessee Railroad is now in course of construction, and will enable miners to send their ore to market. There are large beds of copper yet undeveloped in Virginia, North-Carolina, and Tennessee, which will require capital and enterprise to make them profitable to the owners.

**PENNSYLVANIA PUBLIC WORKS.**—An act has lately passed the Legislature of Pennsylvania, authorizing the sale of the public works of that State. The *Philadelphia Ledger* says:

"The reduction of the rate of tolls on the Main Line of the Public Works, by the Canal Commissioners, the reduction to take effect on the 1st of May, is charged as a ruse on the part of the State Administration to prevent the sale. According to the law, tolls are limited to what they are when the bill is perfected. Consequently, the tolls being reduced, the profits of the works will be lessened. The effect of this will be to remove competition for their possession, and will reduce buyers to the Pennsylvania Railroad Company. At the reduced rates of toll no rival purchasers can, it is believed, work them profitably. Whether any company can make this line pay, at ten millions of dollars, is by no means certain, but it always appeared to us that it is worth more to the Pennsylvania Railroad Company than to any other party. By holding control over the two lines, such discriminations may be made in tolls as to drive heavy freight into the canal, thus leaving greater facilities on the road for passengers and the lighter description of freight. If the line is not worth ten millions to the State, nor to the Pennsylvania Railroad Company, it is probably not worth it to any. If we remember rightly, the capital and entire liabilities of



the company are now about fifteen millions of dollars. Ten millions more for the Main Line makes an aggregate of twenty-five millions; a very round sum, and before incurred, should be closely calculated, to ascertain if there is a sufficient business to make such an investment profitable.

**IMPORTANT DECISION.**—We find in the *N. Y. Journal of Commerce*, the report of a case of importance to business men generally.

The action was against the indorser of a note, dated Feb. 7, 1851, for \$1500, payable on demand with interest. The maker failed in Nov., 1851, and a month before that was known by the plaintiffs to be in failing circumstances; and between two and four months before, they had spoken to him about his paying the note, and he told them he *could not* pay it *then*, but *it* was perfectly good, and that they should not be uneasy about it. Their agent, who acted for them, said on his testimony, "I had no uneasiness about the note at all, *because* I was satisfied the *indorser was good*, and therefore it was not a matter of much importance, and it lay: we could not get the money from Davis." It was decided that after the note was six months old, and the holders were satisfied that they could not collect it from the maker, they were guilty of neglect in not making a formal demand of payment, and notifying the indorser of non-payment. It was held that they had no right, after that, to delay "because they were satisfied the indorser was good." This was not good faith to the indorser, and the plaintiffs must bear the consequences of it. They delayed making a demand until January 15, 1852. That was too late, and the indorser was discharged. It was further decided that the reason of this rule applies as much to a note payable on demand *with interest*, and on which the indorser puts his name for the accommodation of the maker, as to an ordinary note payable on demand. It cannot be inferred in either case that a delay is intended to be allowed under such circumstances as are stated above. Consequently, judgment was given for the defendant.

**PROTECTION OF BANK-NOTES.**—We noticed previously a patent lately granted in England to Thomas Moss, of London, for protecting bank-notes, etc., against the Anastatic process of printing. Our attention has since been called to a patent granted at home to Joseph Dixon and Francis Peabody, of Salem, Mass., April 20th, 1832, for the same purpose; and we find that the English patent now granted is a copy of this invention—twenty-two years old, which has been used in this country ever since. Mr. Dixon was the original discoverer of the art of re-producing lithographic impressions from *old* prints, called anastatic printing, and foreseeing the evil which would follow its general knowledge, invented the plan and took out letters-patent to prevent the use of that discovery, in the counterfeiting of bank and other business paper, and it has been of great service to the banks in this country. The art of anastatic printing itself, as well as the protection against it, were invented by Joseph Dixon, then of Salem, Mass., but now residing in Jersey City. "Honor to whom honor is due:" they are both American inventions.

**BRIDGE ON THE MISSISSIPPI.**—The St. Louis Chamber of Commerce have held a special meeting, to consider what action should be had in reference to the proposed bridge over the Mississippi river at Rock-Island. The Chicago and Mississippi Railroad will have a terminus at this point. The proposed bridge, it is believed, would be a serious injury to the commerce of St. Louis. The Chamber of Commerce adopted a series of resolutions, among which are the following:

"*Resolved*, That it is absolutely necessary for the vast internal commerce of the Valley of the Mississippi, that the navigation of the Mississippi river should be wholly unobstructed, and remain free from all dangers thereto, to the extent guaranteed by the compact with the several States of which it is the common boundary.

"*Resolved*, That as the bridge now in the course of construction at Rock-Island is represented to be of such a character as will endanger, obstruct, and possibly destroy, vast and important branches of western commerce, and is in direct violation of the vested legal rights of the citizens of the Mississippi Valley and of the Union, as judicially determined by the Supreme Court of the United States, and as we believe that no bridge can be constructed at Rock-Island that is not liable to these objec-

tions, we deem it to be the duty of the city of St. Louis, and of all other cities on the Mississippi river, and of all the States whose citizens are immediately interested in western commerce, to take such measures as may be just and proper, to prevent injury to, or the destruction of, any branch of said commerce."

## BANK ITEMS.

**NEW-YORK.**—A new banking building is now in course of erection, at the corner of Nassau and Pine streets, erected by and for the Bank of the Commonwealth. The extraordinary value placed upon building-lots in Wall street, will have the effect to induce several of the Banks to occupy premises in Broad, William, and Nassau streets, and in other locations not so crowded as Wall street is and seems destined to remain.

**Albany.**—The Sixpenny Savings' Bank at Albany is fully organized, by the election of the following officers: President, Thomas Schuyler; 1st Vice-President, Adam Van Allen; 2d Vice-President, George B. Hoyt; Treasurer, H. G. Gilbert. These names are guarantees that the institution will be carefully managed. Their office will be in the Bank of the Capitol.

**Rochester.**—George R. Clark, Esq., has been appointed Vice-President of the Commercial Bank, Rochester, and is succeeded as Cashier by Hobart F. Atkinson, Esq.

**Oswego.**—The Oswego City Bank has concluded to increase its capital stock \$150,000, making the aggregate \$300,000.

**Syracuse.**—The Onondaga Bank will commence operations on or about the first day of day of August next, with a capital of \$115,000. President, Amos Benedict, Esq.; Cashier, George J. Gardiner, Esq., who has for eleven years past been the paying teller of the Onondaga County Bank.

**Catandigua.**—The building formerly known as the Utica Branch Bank, and now occupied as an office by Charles Seymour, has been purchased by Theodore E. Hart, Esq., for the purpose of a new banking institution soon to be started in that place.

**Delaware Co.**—The Deposit Bank, an Individual Bank, commenced business in February last, in the village of Deposit, Delaware county. This town is on the N. Y. & Erie R.R., between the towns of Port Jervis and Binghamton.

**RHODE ISLAND.**—The books of subscription to the stock of the Jackson Bank, to be located at Providence, were opened on Monday, May 15th, and the Bank will be organized early in June, 1854. [If this bank is named in honor of General Jackson, it is a singular misnomer. He never could appreciate the value of banking institutions to a commercial, or agricultural, or manufacturing community.]

**Providence.**—Books of subscription to the capital stock of the Liberty Bank were opened at Providence on the 20th of May. This Bank was originally petitioned for by Duty Evans and others, under the name of the Bank of the State of Rhode-Island. Books of subscription will also be opened for the stock of the Westminster Bank, at Providence; the Mercantile Bank and the Atlas Bank, at Providence. There are already thirty-one banks in operation in that city. The proposed additions will make the entire number thirty-six.

**INDIANA.**—J. R. Shields, Esq., hitherto President of the Branch State of Indiana, has been chosen Cashier thereof, in place of V. A. Pepin, Esq., resigned. A. S. Burnett, Esq., succeeds Mr. Shields as President.

GEORGIA.—The Mechanics and Traders' Bank, at Savannah, Georgia, was organized early in May, 1854. The capital subscribed is \$100,000.

Augusta.—The stockholders of the new City Bank, at Augusta, have elected a Board of Directors.

CONNECTICUT.—The following card was recently issued by the President of the Pequonnock Bank of Bridgeport, in reply to certain insinuations against this bank:

"THE PEQUONNOCK BANK.—Having seen a slip purporting to come from the office of John Thompson, Wall street, stating that the notes of Pequonnock Bank, Bridgeport, Ct., of which I am President, are not received at that office, and intended to cast discredit upon the notes of said Bank, although I have no interest in the Bank except as a stockholder, I hereby publicly pledge my entire private fortune for the space of twelve months from this date, for the full payment of the notes and deposits of the Pequonnock Bank. No Bank in the Union is conducted on more strict business principles than the Pequonnock. Its Board of Directors, at the head of whom is the mayor of the city, includes gentlemen of the first standing in the State of Connecticut. The stock is owned by several hundred shareholders, and stands fourteen per cent above par. The annual dividends are eight per cent, with a large surplus. Under its charter, no director can be a borrower for more than \$5000, and no other individual or firm for more than \$10,000. Its notes have never been discredited by the Suffolk Bank of Boston, the Metropolitan Bank of New-York, nor any of the brokers in Wall street, except John Thompson. In fine, the author of this attack will immediately be prosecuted for a libel.

"NEW-YORK, April 21, 1854.

P. T. BARNUM."

ROBBERY OF THE STATE BANK OF INDIANA.—A young Scotchman, named Sidney V. Howard, employed to register the bills returned from the Branches to the State Bank, at Indianapolis, on account of their being too much worn for further circulation, decamped a few days since with \$1400 of this description of money, consisting of \$550 on the Lafayette Branch, \$365 South-Bend, \$245 Fort Wayne and \$240 Michigan City. The bills stolen consist of fives, tens, and twenties. The thief is described as of good appearance and address, having a good countenance, fair complexion, blue eyes, brown hair, shows his teeth in laughing, with a slight sneer. is about five feet three inches in height, and carries a gold watch and chain.

FRAUDULENT BANK BILLS.—The frauds in altered bank-notes have become so frequent, that active measures are about to be taken by the Boston "Association for the Suppression of Counterfeits," which will probably lead to an abatement of the evil. The Boston *Courier* says:

"We understand that the alteration of smaller denominations of bank-notes to larger is becoming quite a frequent fraud, and induces on the part of the bankers and dealers increased scrutiny on all bank issues, when the same or similar style of plate is used for several denominations. Ones altered to tens on the Waltham Bank have made their appearance the past week; they are well done, and calculated to deceive, especially in the evening by candle-light. One of the surest modes of detecting any alteration of a note is to hold it to the light, and if the least unusual appearance is noticed, reject it."

COCHITUATE BANK, BOSTON.—The case of the Cochituate Bank came up in the Supreme Judicial Court at Boston, when by consent of parties the present injunction was continued to the 5th of June, without making the same perpetual. The following is the order entered by Chief-Justice Shaw:

"*Suffolk ss.* Before me, Lemuel Shaw, Chief-Justice of the Supreme Judicial Court, on Thursday, the 20th day of April, 1854, in the case of the Commonwealth against the President, Directors and Company of the Cochituate Bank, adjourned to this day, it is now further

"*Ordered,* That the injunction heretofore ordered, restraining said Bank from further prosecuting the business of banking, as therein fully specified, continue and remain in full force until the further order of the Court, and that further proceedings

in this case be postponed until Monday, the fifth day of June next, then to appear at this place at 9 o'clock in the forenoon. And it is further

"Ordered, That Ezekiel R. Colt, Andrew T. Hall, and Solomon Lincoln, Esquires, who by a former order in this case were appointed agents to take the charge and custody of the banking-house, the cash, notes, bills of exchange, securities, furniture, and effects of said Bank, be and they are hereby appointed receivers, to take the like custody and charge, to proceed to collect the debts of said Bank, with all the powers and privileges, and subject to the duties and liabilities established by law, and incumbent on them as receivers, with authority to deliver over to the persons entitled, all notes, bills of exchange, and securities which have been left and deposited in said Bank for collection only, and on which said Bank has no lien or other claim, as they, the said receivers, shall ascertain such persons to be entitled. And at the time to which these proceedings are postponed, the said receivers make a statement in writing, of their proceedings in the premises.

"LEMUEL SHAW,

"Chief-Justice of Supreme Judicial Court."

MISCARRIAGE OF LETTERS BY MAIL.—A few days ago, a prominent business firm in New-York city deposited a letter, containing remittances amounting to about \$16,000, in the Post-office, directed, as they alleged, to Providence, R. I. The package not having been received by the person addressed, by due course of mail, the matter was brought to the notice of the postmaster, who instituted an investigation—the consequence of which was, that the package was found at Providence, N. Y., to which place it was plainly directed. Such mistakes are too common among our business men and financial institutions.

There is no doubt that in the hurry of business among the banks, mistakes of this kind will occur, and losses must result from such negligence. They are no doubt obviated in many instances by the practice, which is now becoming general, of using envelopes with the *printed* address of correspondents. In a bank where there are from fifty to two hundred letters written daily, this mode of securing an accurate address has great advantages, especially in safety and economy of time.

The following *semi-annual* dividends were payable early in May by the Banks in the City of New-York :

	<i>Per cent.</i>		<i>Per cent.</i>
American Exchange Bank, . . .	5	Greenwich Bank, . . . . .	5
Bank State of New-York, . . .	4	Mechanics' Bank, . . . . .	5
Broadway Bank, . . . . .	5	Mechanics' Banking Association, .	4
Chatham Bank, . . . . .	4	Mechanics and Traders' Bank, . .	7 1/2
City Bank, . . . . .	5	Union Bank, . . . . .	5
Fulton Bank, . . . . .	5		

The Trustees of the old Union Bank have declared a final dividend of 2 1/2 per cent of the profits at the time the charter expired.

OHIO.—Charles Conahan, Esq., who has for eighteen years been an officer of the Lafayette Bank at Cincinnati, was, in May, elected cashier of the Mechanics and Traders' Bank, of that city.

ALABAMA.—Books of subscription to the capital stock of the Central Bank of Alabama will be opened at Montgomery, on the 3d of July next. The capital proposed is \$500,000.

TENNESSEE.—We learn that the charter granted by the last Legislature, to organize a bank in this city, under the title of the Bank of Chattanooga, has been taken up, and the institution will go into operation in six or eight weeks. The agent of the bank is now superintending the printing of the notes, and every preparation is being made to perfect its operations. From all we know of this matter, it will be no wild-cat concern, with its *one* and *two-dollar* notes, but gentlemen of ample responsibility are the principal stockholders, and notes of *tens* and *twenties* will be put into circulation, at the commencement. The business of our place requires more than one bank, and we are gratified to learn that our financial operations are so soon to be extended to the pressing demands of the community.—*Chattanooga Advertiser*.

## Notes on the Money Market.

NEW-YORK, MAY 25, 1854.

*Exchange on London, sixty days, 9@9½ premium.*

The market exhibits some improvement during the past four weeks. The high rates that prevailed during the months of January, February, and March, have relaxed in favor of the borrower. We quote loans on call, stock securities, 7@9 per cent. For prime business paper, 8@10 per cent. Much difficulty is experienced in negotiating paper of second or third grades. For this description of negotiable bills 12@15 per cent is demanded. There seems to be abundant capital on call, but an obvious disinclination to invest in permanent loans or in paper that is not of an unquestionable character.

Owing to several failures recently at Boston, New-York, Philadelphia, and Baltimore, in the dry goods trade, in the Australia and California trade, less confidence is felt at present in the value of commercial paper. The banks are enabled to keep up their line of discounts and absorb nearly all the prime commercial paper that is afloat. That which admits of any doubt is thrown into the brokers' hands at 10@15 per cent.

The banks in the street as a general thing, have a surplus of means; the difficulty is, to employ them in such securities as prudent managers are willing to accept. On strictly prime stock securities there is an abundance of money at 7 per cent. The uncertain state of business affairs, caused by the war in Europe, has kept out of market a large amount of paper from houses of a high standard of credit; this will likely be the case as long as the market for cotton and food are so easily affected by the present threatening aspect of affairs in Europe. The position of the London and New-York money market in this case bears a striking analogy.

While the unfortunate condition of political affairs in Europe has, for the present at least, closed against us the London market as a source of capital, we believe that the effect, now visible, of checking speculation in this country will be a salutary one. We have reason to think that the country has been going ahead too fast during the last two years. The superabundance of capital, continually fed by foreign supplies, led to numerous and heavy undertakings that were rather premature. Too many railroads, and in some cases competing ones, were commenced when the population was too sparse to authorize such construction.

While some few States are gradually getting out of debt, others are getting in debt. New-York, Pennsylvania, Maryland, Massachusetts, Indiana, Illinois, and Ohio, are reducing their funded obligations, either by sinking funds or by some other process of gradual extinction. On the other hand, Virginia, North-Carolina, and Missouri are contracting fresh obligations. Virginia on a large scale; North-Carolina more moderately, and Missouri in a small way only. These additional liabilities are fully represented by railroad property, which it is conceded, will eventually contribute to the wealth of those States; certainly to the development of their great mineral resources.

County bonds are much depressed beyond any quotations for a year past. All cases that have come before the courts, in reference to the validity of such bonds, have been decided in their favor. The present prices for St. Louis County Bonds are 83½@85. Fayette County, Ky., 80@84. Mason County, Ky., 80@84. Alleghany County, Pa., 88@85.

The fluctuations in the share market for the past six weeks are seen in the annexed table, embracing the stocks in which there are the most numerous operations.

SHARES.	Ap'l 14.	Ap'l 21.	Ap'l 28.	May 5.	May 12.	May 19.
U. S. 6 per cent 1867-8, . . . . .	122	122	123½	123	123	123
Panama R. R. shares, . . . . .	110½	108½	106	105	105	105½
New-York & Erie do. do., . . . . .	69½	71½	71½	70½	69½	69
New-York Central do. do., . . . . .	105	107	107	104½	104½	104
Michigan Central do. do., . . . . .	104	104½	105	104½	104	108½
Michigan Southern do. do., . . . . .	116	116½	117	112½	119½	118
New-York & New-Haven do. do., . . . . .	98½	95	94	90½	93½	98½
Norwich & Worcester do. do., . . . . .	50	54	54½	54	54½	54½
Hudson River do. do., . . . . .	63	64	64½	64½	64½	64½
Reading do. do., . . . . .	72½	74½	75	74½	75½	76½
Harlem do. do., . . . . .	49	51½	50½	49½	49½	50½
Long-Island do. do., . . . . .	27½	28½	28	27	27½	27½
Illinois Central do. do., . . . . .	121	121	124	115	115	118
Illinois Central R. R. bonds, . . . . .	78½	78½	79	77	76½	77½
New-York Central do. do., . . . . .	93	94	93½	89	87½	88
Erie R. R. seven's 1856, . . . . .	98	98½	98½	98	97½	99

SHARES.	Apr'l 14.	Apr'l 21.	Apr'l 28.	May 5.	May 12.	May 19.
Erie Income bonds, . . . . .	95	95 1/4	97	97 1/4	96 1/2	95 1/4
Erie Convertibles, 1871, . . . . .	88	86 1/2	85 1/4	85	84	80 1/2
Panama R. R. bonds, . . . . .	105	104 1/2	106 1/2	106	105 1/4	116
Pennsylvania Coal Co., . . . . .	100	105 1/2	105 1/4	103 1/2	104 1/2	104 1/2
Delaware & Hudson Canal Co., . . . . .	104	110	112 1/4	110 1/4	112	113 1/2
Cumberland Coal Co., . . . . .	26	28	27 1/4	27 1/2	29 1/4	81 1/2
Parker Vein Coal Co., . . . . .	6	6 1/4	6 1/4	5 1/4	5	4 1/2
New Jersey Zinc Co., . . . . .	7 1/2	8 1/2	8 1/2	8	8	8
Canton do. do., . . . . .	24	25 1/2	25	24 1/2	24 1/2	24 1/2
Nicaragua Transit, . . . . .	25	26 1/2	26 1/2	26	25 1/2	25 1/2
Hudson River R. R., first mortgage, . . . . .	101	102	100 1/4	102 1/4	102 1/2	102 1/4
Crystal Palace, . . . . .	50	55	46	40	30	31

The redemption of the public debt of the United States during the past week was \$218,586 74, namely:

Loan of 1842, . . . . .	\$45,000 00	Tex. indemnity, . . . . .	\$15,000 00
" 1846, . . . . .	54,586 74		
" 1847, . . . . .	67,950 00	Total, . . . . .	\$218,586 74
" 1848, . . . . .	86,000 00		

The Treasury Department has extended the time for purchase of United States loans from 1st of June to 1st of July, as will appear by the annexed circular:

**"TREASURY DEPARTMENT, May 20.**

"The time limited by the notice of this Department of the 1st of January last for the purchase of stocks of the United States, is hereby extended to 1st of July next. But it is to be observed in regard to certificates which may be received at it after the 1st of June, that, in addition to the usual assignment, the holder must distinctly assign the interest on the same which will then have been made up at the treasury, or transmit the coupons, as the case may be. In default of this latter assignment or transmission, the premium and one day's interest (less interest from the time of redemption to the 1st July) only will be paid.

"To afford an opportunity to distant holders to avail themselves of this notice, the department will consider stock mailed prior to the 1st of July as entitled to its benefit, upon the usual evidence of its having been so mailed.

**"JAMES GUTHRIE,  
"Secretary of the Treasury."**

The terms proposed for the purchases of the circular of January 1, were as follows:

1. The par value of amount specified in each certificate.
2. A premium on the stock of the loan authorized by the act of July, 1846, redeemable Nov. 12, 1856, of six per cent; on the stock of the loan authorized by the act of 1842, redeemable the 31st December, 1862, of fifteen and a half per cent; on the stock of the loans authorized by the acts of 1847, and 1848, and redeemable, the former on the 31st of December, 1867, and the latter on the 30th June, 1868, of twenty-one per cent; and on the stock of the loan authorized by the act of 1850, and redeemable on the 31st of December, 1864, (commonly called the Texan indemnity,) ten per cent.
3. Interest on the par of each certificate from the 1st of January, 1854, to the date of receipt and settlement at the treasury, with the allowance, for the money to reach the owner, of one day's interest in addition.

There are several millions of the six per cents of the U. S. held in this city by various chartered institutions. The high premium offered by the government has induced many to dispose of these and convert the proceeds into State stocks bearing the same interest, which can be had at 101@106.

This to a monied institution is an important consideration; \$100,000 United States' stock now producing \$6000 interest annually, can be converted into \$118,000 Maryland sixes, yielding \$7080 annually. When we look at the financial condition of that State and find that its existing sinking fund will absorb the entire State debt before its maturity, and that under the existing constitution no further debt to any extent can be created, the capitalist may readily satisfy himself that the conversion would be a profitable one as well as a solid one. We quote as current to-day: New-York six per cent, 1866, 114; Ohio six per cent, 1870, 108@109; Pennsylvania fives, 87 1/2@84; Kentucky sixes, 105 1/2@106; Maryland sixes, 104@105; Tennessee sixes, 103@106; Virginia sixes, 105 1/2@106; Missouri sixes, 104 1/2@106; North-Carolina sixes, 104@106; Indiana fives, 98@100.

There are other investments of a solid character which would repay the capitalist fully seven per cent. We allude particularly to the loans of such cities as are not heavily encumbered with debt, namely, Louisville, 82 1/2@83; Pittsburgh, 85 1/2; Milwaukee, 87 1/2; St. Louis, 69. Others are under par, which would yield over 6 per cent, namely, Chicago, 91; Philadelphia, 98 1/2; Rochester, 99 1/2, and county bonds of the most substantial character are procurable at 84@86.

## NEW PUBLICATIONS.

- I. *Banks and Banking in the United States*. By HENRY F. BAKER. Part Second. Cincinnati: 1854. 8vo. Pp. 56.

The first part of this Essay was noticed in our October No., pages 277-290. In the second portion, the writer discusses the subject of Banking in Kentucky, Ohio, Indiana, and Illinois. The survey of the various systems of banking hitherto adopted in Ohio, will be found interesting. We commend the pamphlet to the consideration of our banking friends.

- II. *Journal of the Franklin Institute*. Philadelphia: 1854.

Among the highly useful matters contained in the *Journal of the Franklin Institute*, for April, is a series of observations by J. C. Trautwine, Civil Engineer, on the Inter-oceanic Canal route of the rivers Atrato and San Juan, with rough notes of an exploration. Mr. Trautwine, who is an experienced engineer, concludes as follows:

"I have coasted and boated along both sides of the region comprised between the Pacific Ocean, from Panama to Buena Ventura, on one side, and the Caribbean Sea, the Atrato, and the San Juan, on the other side; and have crossed it both at the site of the Panama Railroad, and at three other points more to the south. From all I could see, combined with all I have read on the subject, I cannot entertain the slightest hope that a ship-canal will ever be found practicable across any part of it. When I employ the word *practicable*, it is meant in a practical sense."

The No. also contains articles on Railway Turn-tables. 3. Operations of the Philadelphia Gas Works. 4. American Patents, recently granted. This list is fully illustrated by C. M. Keller, Esq., late Chief Engineer of the Patent Office. 5. Original articles on Mechanics, Physics, and Chemistry.

- III. *Statistical Tables of Population, Mortality, Food and Clothing, Politics, Finance, Taxation and Currency, Crime and Punishment, Mineral Produce, Commerce, Merchant-shipping, Emigration, etc.* 1801-1851. Compiled from Parliamentary and other authentic documents. By T. G. DARTON. Longman & Co., London.

The information embodied in this pamphlet has been recently added to the new edition of McCulloch's Commercial Dictionary. The tables have reference mainly to the trade, etc., of Great Britain, and comprise a mass of useful information in a condensed form. The pamphlet also contains an obituary of noted persons, Tables of the Parliaments of the century, etc.

- IV. *An Essay on the relations between Labor and Capital*. By C. MORRISON. Longman & Co., London. 8vo. Price, 9s. 6d. sterling.

- V. *Statistics of the Corn Trade, from the year 1828 to the year 1853, in a series of diagrams, arranged and drawn under the superintendence of HENRY S. BRIGHT, of Hull*. Longman & Co., London.

- VI. *A Dictionary of the Spanish and English Languages*. Abridged from the author's larger work. By MARIANO VELASQUEZ DE LA CARDENA. In two parts, Spanish-English: English-Spanish. 12mo. Pp. 839. New-York: D. Appleton & Co.

The larger Spanish Dictionary of Velasquez is well known for its unequalled excellence. We are glad to see this abridgment, which will prove especially serviceable to younger scholars, travellers, and men of business. Great pains have been taken to retain all the most usual and necessary words together with their various and frequent meanings, so as to make it, though small in size, as copious and complete as such a work can be. The typography and mechanical execution of the volume are of great excellence, the binding exhibiting that peculiar combination of elegance and solidity which have distinguished similar publications of the Appletons. Messrs. APPLETON & Co. have also recently published a revised and enlarged edition of Surenne's Pronouncing Dictionary of the French and English languages, comprising all the words in common use; terms connected with Science and the Fine Arts; Historical, Geographical, and Biographical names. [*Uniform with the Spanish Dictionary.*]

END OF VOLUME THIRD.—NEW SERIES





